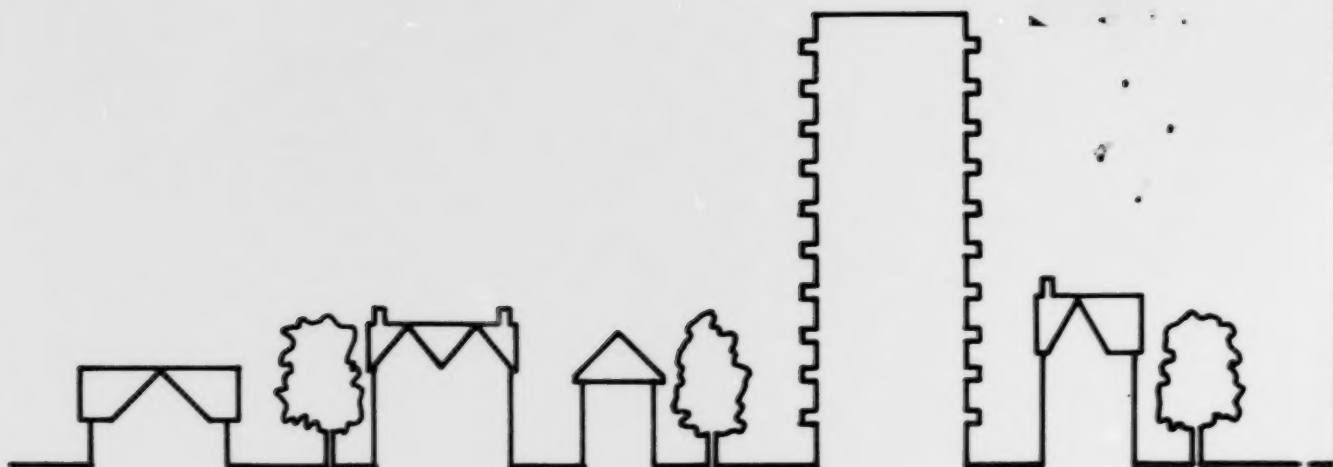


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STUDY OF RESIDENTIAL INTENSIFICATION AND RENTAL HOUSING CONSERVATION

PART 3 : RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

3.1: PHYSICAL POTENTIAL

PREPARED FOR
THE ONTARIO MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING
AND THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

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MARCH 1983

VOLUME 3

NOTE:

This is a consultants' report. Any statements or opinions expressed herein are those of the writers or of persons quoted and, unless otherwise noted, are not necessarily endorsed by the Ministry of Municipal Affairs & Housing, Government of Ontario, or the Association of Municipalities of Ontario.

FOREWORD

This study was commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. Funding for the study was provided by the Ontario Ministry of Municipal Affairs and Housing through the Housing Renovation and Energy Conservation Unit of the Community Housing Wing. The Ministry's chief representative on the study was Mr. George Przybylowski of the Housing Renovation and Energy Conservation Unit. In this capacity, Mr. Przybylowski was the prime client contact throughout the study process and the consultants wish to express their gratitude to him for his considerable personal commitment to this study and the many creative and useful suggestions he made during the course of the investigations.

The findings, conclusions and recommendations contained in the various volumes of the study report are those of the consultants as are any factual errors they may contain. The report does not constitute Ontario Government or A.M.O. policy but is a report to these two organizations for their consideration.

Peter G. McInnis
Study Director

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GENERAL INTRODUCTION

This document forms one volume of an eleven volume study report commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario (A.M.O.) in July, 1982. The prime objectives of the study were:

1. To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods.
2. To examine some of the major forces at work that have and could threaten the conservation of the existing stock of rental housing and the tenants that occupy this stock.

These objectives were formulated in response to concerns on the part of the Ministry and A.M.O. regarding recent and emerging trends in housing and urban development and population growth and change in Ontario.

It is safe to assume that there will continue to be a demand for more rental and ownership housing units in Ontario during the 1980's and 1990's due to both an absolute increase in population and an increase in the number of households. However, there is growing evidence that this demand could be different in nature than during the last decade. While demand will continue to be focused in urban areas, there will likely be increasing pressure for inner city housing particularly in the larger urban centres such as Toronto, Ottawa and Hamilton. Also, households are getting smaller and older; and more people are beginning to accept the prospect of never being able to afford to own a home. These trends suggest that there will be an increasing demand for smaller dwellings. While consumer preference information may not support this, the general state of the economy and the future affordability of housing may dictate these demands.

The Government of Ontario and the Association of Municipalities of Ontario are concerned about how these additional and somewhat different housing needs of the 80's and 90's will be met, particularly in light of the downturn in the construction of new private rental housing; the economic prospects for the 80's and 90's and the likely restraints on public expenditures related to new facilities and services and socially assisted housing; and the increasing difficulty of providing new housing through large scale redevelopment and/or a further expansion outwards of Ontario's urban fabric.

There are two major approaches to creating additional housing: 1) building new and 2) making more efficient (intensive) use of the housing stock that currently exists. This study is aimed primarily at the latter and specifically at the potential for meeting some of the future housing needs in

the Province through the conversion of the existing stock of some 1,200,000 grade-related owner occupied dwellings in the Province. The extent to which this study is concerned with new housing was limited to the opportunities that might exist for small scale residential infill in residential neighbourhoods.

In addition to being concerned about meeting additional housing needs, the Ministry and A.M.O. were concerned about conserving the existing rental stock in a safe and livable condition for at least the same number of households as it currently accommodates. While this aging/conservation issue is by no means a new one, the nature of the issue will likely be quite different in the future. Until the late 1950's, the vast majority of housing in the Province was grade-related and owner occupied, and the conservation of these types of dwellings usually happened as a matter of course without much concern or assistance on the part of governments. In the last 30 years, however, the housing stock profile has changed dramatically with the advent of the high-rise apartment building. Rental apartments in multiple unit buildings form a much larger proportion of the stock than ever before. Approximately two-thirds of the over one million rental housing units in Ontario are located in high-rise or low-rise/walk-up multiple unit apartment buildings. Forty percent or 434,000 of the total rental units are in high-rise buildings. The conservation of the apartment rental stock has never been a serious issue in the past because of the relative newness of this stock. However, as these buildings age during the 80's and 90's (many are already 20 years old), serious attention will have to be given to the efforts that will be required to maintain these units in a safe and livable condition and within the economic reach of a large majority of the population. Therefore, the second objective of this study was in part, to examine the type of building repairs and improvements (and their associated costs) that will be required to conserve the Province's stock of some 434,000 high-rise rental apartments over the next 20 years.

A second rental housing conservation concern of the Ministry and A.M.O. had to do with the perceived loss of low-income rental accommodation that has traditionally been available in the form of rooms and apartments in grade-related dwellings in older neighbourhoods. Specifically, the study was to examine the extent of the loss of this type of housing due to demolition and deconversion resulting from the gentrification of these dwellings and the impact these losses have had on tenants.

The investigations were carried out by a series of five individual consultants working under the direction of a sixth consultant retained to coordinate and direct the study investigations. The work of each consultant was monitored and reviewed by a core study group made up of the five consultants, the study director and representatives of MOMAH and AMO.

Core Study Group

Study Director: Peter McInnis
Klein & Sears Research and Planning Limited

Consultants: Michael Adams
Environics Research Group

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Greg Lampert
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Walker, Poole, Milligan

Ministry
Representatives Sue Corke
Gary McAllister
George Przybylowski

A.M.O.
Representatives: Mayor W. McLean Town of Ajax

Gwyn Simmons City of Ottawa Non-Profit Housing
Corporation

Special Assistant
To Core Group: Betty Kaser

While the consultants' work on this study began formally at the beginning of July, 1982, some considerable effort was spent in advance of this start-up by a steering committee of Ministry and AMO representatives in developing terms of reference and a work plan with the Study Director that reflected the findings of an extensive and detailed review of the literature pertaining to the issues in question. This literature review was carried out by David Hulchanski for the Ministry during April and May of 1982 and has been published under separate cover. The prime purpose of this review was to identify the extent to which the issues in question had already been considered and the findings and conclusions that had been reached in order that the consultants' work could be focussed on those issues about which there is limited knowledge or understanding. Also, this review provided a valuable basis for establishing certain propositions to be tested in the study.

The investigations, particularly those relating to Objective #1, were carried out on a case study area basis in the municipalities of Toronto, North York, Hamilton, Kingston, Woodstock and Ottawa with special input from municipal officials in Thunder Bay. These municipalities were selected to reflect the fact that many of the issues under investigation were more associated with larger urban areas as well as to provide, at the same time, a range of sizes of municipalities for comparative purposes.

The overall study report is organized into 11 separate volumes. These 11 volumes follow the 5 part organization of the findings, conclusions and recommendations of the study investigations as indicated below:

PART #	TITLE (Prime Consultants)	VOLUME #
1	Summary of Findings And Recommendations (Klein & Sears)	1
2	Economic And Demographic Trends for the 80's and 90's (Clayton Research Associates)	2
3	Residential Intensification And Future Housing Needs	
3.1	Physical Potential (Clayton Research Associates)	3
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4.2	Future Conservation Requirements And Costs for High-Rise Apartments and the Possible Impact on Rents and Tenants (Klein & Sears and Clayton Research Associates)	10
5	Data Sources And Problems (Clayton Research Associates)	11

This particular volume (Volume #3) of the study report was prepared by two different consultants. Mr. Jack Klein of Klein & Sears, Architects was responsible for the first part of this volume dealing with physical potential in terms of house forms and land use patterns and Mr. Greg Lampert of Clayton Research Associates prepared the second part of this volume dealing with an aggregate analysis of the physical potential of the existing housing stock.

- x -

INTRODUCTION TO PART 3

This part of the study deals with Objective #1

"To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods"

"Residential Intensification" as used in this study means increasing the number of households accommodated in existing buildings and/or on existing serviced land in already built-up parts of urban areas through conversion of existing structures and through additions to existing structures and the building of new structures on vacant or near vacant land. Intensification as used in this study is achieved with little or no demolition of existing buildings.

The interest in intensification reflects emerging housing market trends, changing urban population profiles and the economics of new housing construction, in particular new private rental apartments. In addition, the interest in intensification as a means of meeting some of the future housing needs in Ontario stems from a number of factors not the least of which is the economic restraint under which governments at all levels now find themselves operating and the prospect of similar conditions prevailing over the next several years. These restraint conditions have caused some governments to cut back on or freeze spending on new facilities and services and seriously assess the efficiency with which existing facilities are used. The argument in support of intensification to provide additional housing is, in part, due to these economic restraints and the potential that may exist for increasing the number of households being served by the existing urban infrastructure.

This study defined 7 basic forms or models of conversion and infill that meet the above definition of intensification:

- 1) changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)
- 2) changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.);
- 3) building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units;
- 4) building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development);

- 5) building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building);
- 6) converting existing obsolete non-residential space to residential use (e.g. over stores along arterials); and
- 7) building new multiple residential units on vacant or near vacant sites in commercial areas (e.g. mixed-use projects in core areas).

While Models #6 and #7 are critical forms of intensification, the opportunities and constraints related to these models are well researched and documented. In fact, in the past few years the Ministry itself has conducted two investigations into the potential for residential and mixed commercial and residential infill development in the core areas of Ontario municipalities. This study concerned itself solely with investigating conversion and infill potential in existing residential neighbourhoods because of the paucity of good information that exists on the subject. In particular, emphasis was placed on the conversion models and their potential application to the 1.2 million grade-related owner occupied dwellings in Ontario urban centres of more than 10,000 people.

Models #2-5 are graphically illustrated in Figures 1-6 on the following pages. These figures provide just a few examples of the multitude of different physical forms the various types of intensification could take.

The examination of the opportunities and constraints associated with the creation of additional housing by means of the 5 models is examined in terms of:

- the physical potential of intensification vis-a-vis such issues as the convertability of various house forms, current intensity of use and the opportunities for infilling around or adding to existing dwellings;
- the economics of intensification in respect to the costs of creating new accommodation and rents required to pay for this accommodation as well as the economic impact of intensification on municipalities;
- the supply process or who could and would undertake various forms of intensification and the motivations for doing so as well as the capability and attitudes of the construction industry and lenders to facilitate intensification activities;
- the market demand for various types of accommodation that could result from intensification among various segments of the tenant market;
- community and neighbourhood impact and resistance that may occur as a result of or in anticipation of increased intensification activities in the various types of neighbourhoods that are traditionally found in the urban fabric of Ontario municipalities;
- government policies and regulations and in particular, municipal official plans and zoning by-laws.

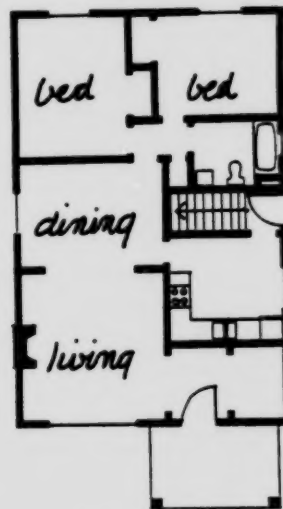
FIGURE 1 - Model 2

BUNGALOW CONVERSION

- a self contained one bedroom unit is provided in addition to the existing ground floor unit
- existing basement stairs are located adjacent to the back entrance facilitating conversion
- window wells or excavation to create a sunken patio can increase natural light for a basement apartment
- if the basement is already finished and/or a bathroom is in place, the conversion is likely to be less costly

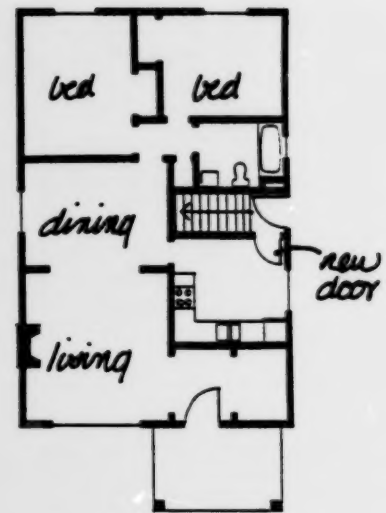


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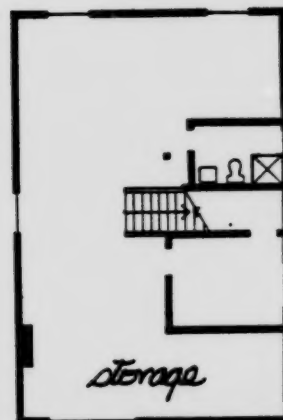


1ST FLOOR

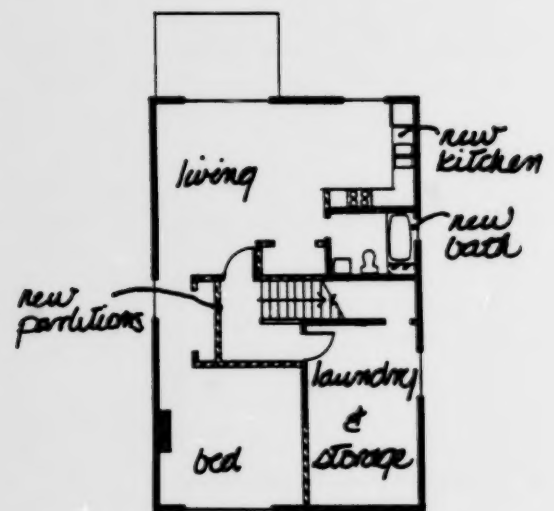
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1ST FLOOR



BASEMENT



BASEMENT

FIGURE 2 - Model 2

CONVERSION OF A THREE STOREY SEMI-DETACHED HOUSE

- the house is converted to provide a one bedroom unit on the ground floor and basement and a two bedroom unit on the second and third floors
- stairs and entrances are generally found on the party wall of semi-detached homes. This plan form lends itself readily to natural hall circulation
- decks can be added to second or third floors to provide additional space
- a larger house such as this provides more options for conversion. The house could be converted in a number of ways including three or four self-contained units, one on each floor or leaving the existing basement and converting to provide a bachelor apartment on one floor and a two bedroom apartment on the remaining floors

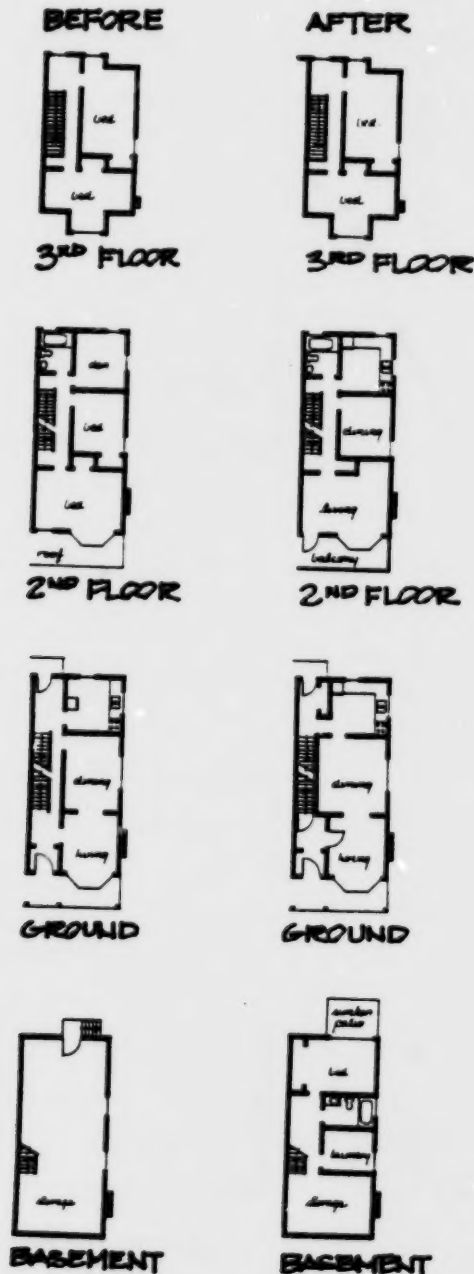


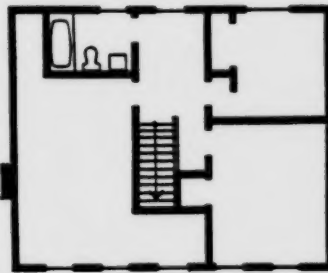
FIGURE 3 - Model 2

CONVERSION OF A TWO STOREY DETACHED HOUSE

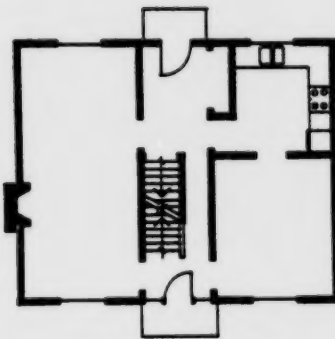
- the house is converted to provide a one bedroom unit on the ground floor and a one bedroom unit on the second floor
- the centre hall plan of this house is not as easily adaptable as the side hall plan of the previous illustration. The resulting circulation pattern within the units tends to be from room to room rather than off a hall



BEFORE



2ND FLOOR

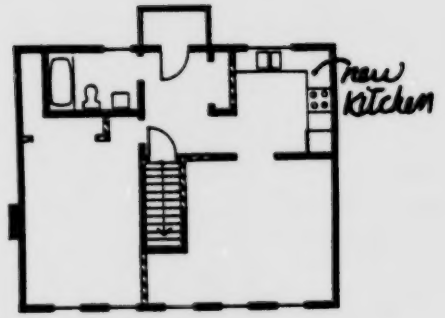


GROUND

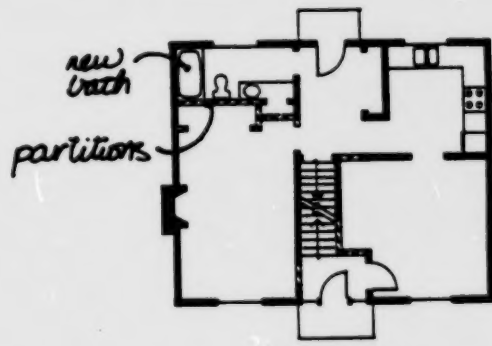


BASEMENT

AFTER



2ND FLOOR



GROUND

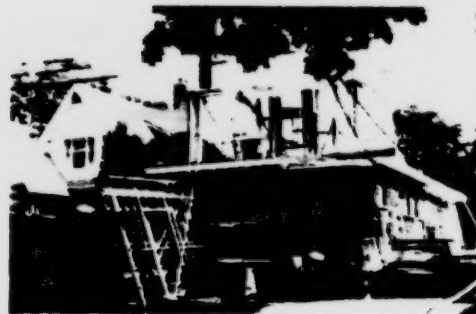


BASEMENT

FIGURE 4 – Model 3

VERTICAL ADDITION

- a second storey is added to an existing bungalow to provide a second self-contained dwelling unit
- as the ceiling of the ground floor unit is exposed during construction, timing and weather are important concerns in planning for this type of addition



HORIZONTAL ADDITION

- an existing garage is converted to residential space and provides a bachelor unit
- garages frequently have an existing back door and windows which can be incorporated in the conversion
- if the plumbing in the existing house is on the side of the house adjacent to the garage, the addition is likely to be less costly
- as this unit is grade related and provides access without stairs, it is particularly appropriate for a "granny unit"

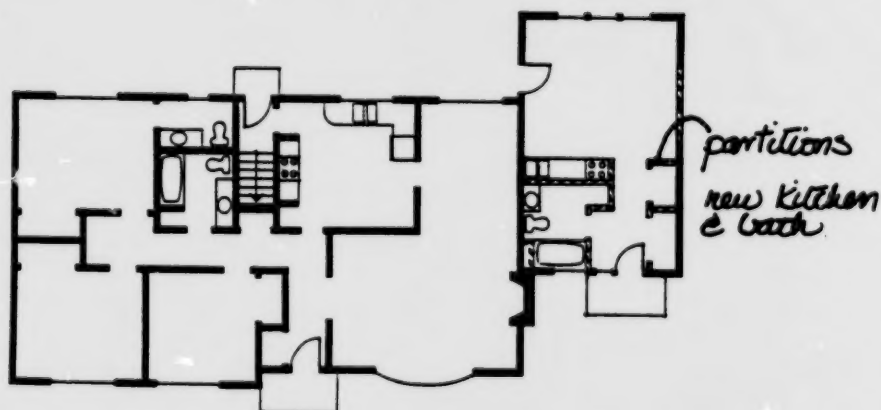


FIGURE 5 - Model 4

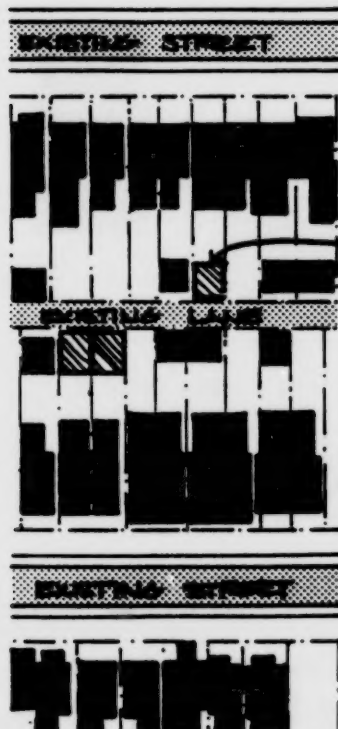
BACK LOT INFILL

- new housing units are built at the back of the lots on which there are existing houses
- access is from a back lane in one example and from the street using the side driveway in the other
- the length of the lot and the location of the house on the lot are critical factors. Generally urban land use patterns will accommodate this type of infill more readily than suburban land use patterns where the house is typically situated close to the centre of the lot
- the new housing could provide more than one unit or larger units by building more than one floor

BACK LANE ACCESS



SIDE DRIVE ACCESS



INFILL

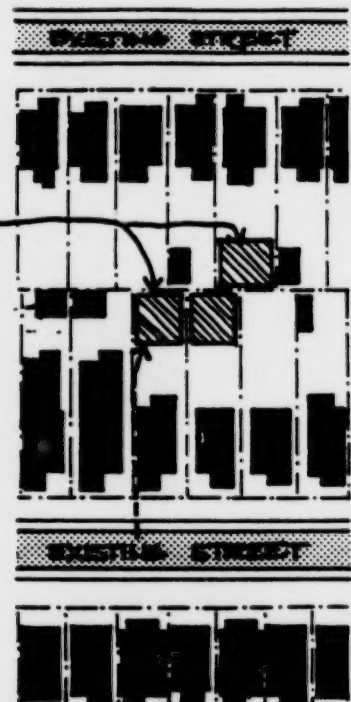
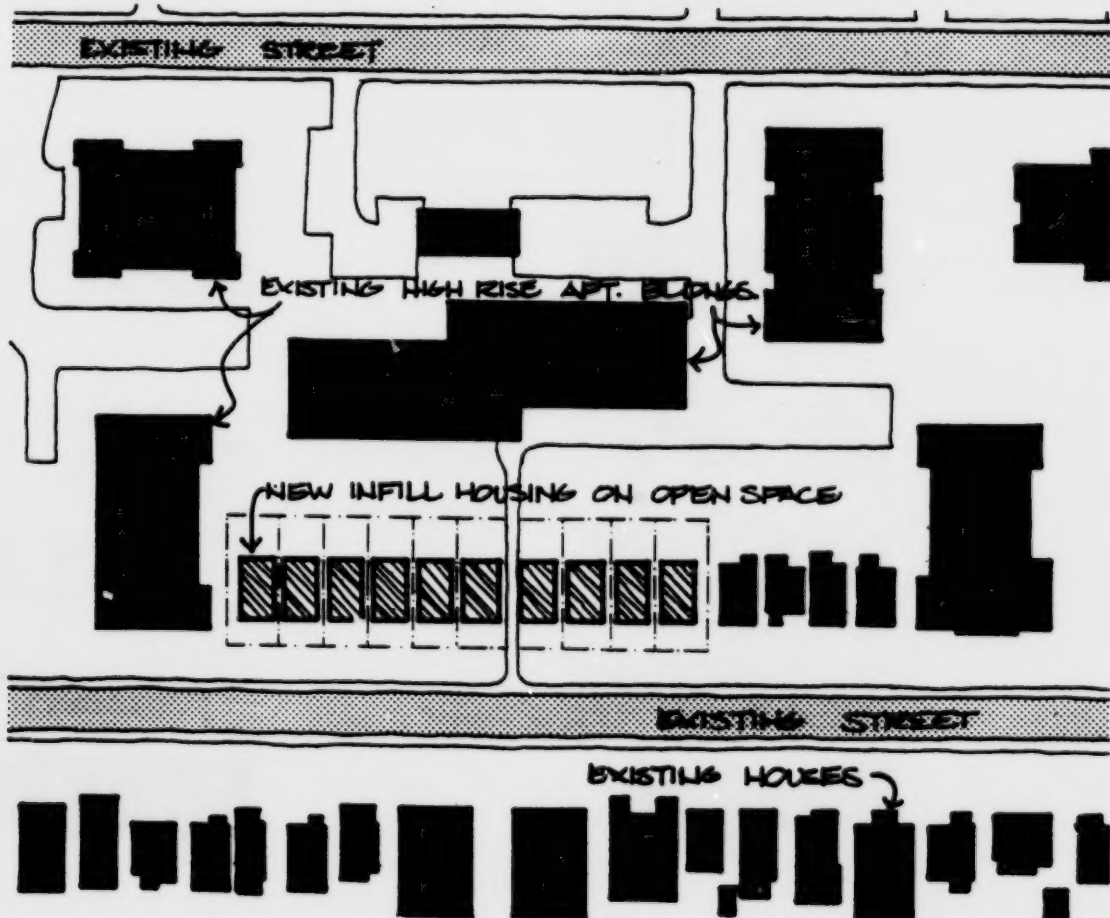


FIGURE 6 - Model 5

INFILL ON APARTMENT GROUNDS

- a number of single family houses are shown as infill in the landscaped open space of a high rise apartment building. The new housing could also take the form of semi-detached housing, row housing or low rise apartment structures
- the housing type could be selected to be consistent with the surrounding neighbourhood
- existing underground garages for the high rise apartment buildings often have surplus spaces which could be used for the new infill housing



PART 3.1.1

PHYSICAL POTENTIAL FOR INTENSIFICATION: HOUSE FORMS AND LAND USE PATTERNS

Prepared by:
Klein & Sears, Architects



3.1.1 PHYSICAL POTENTIAL FOR CONVERSION: HOUSE FORMS AND LAND USE PATTERNS

In order to assess the physical potential for conversion and infill, both existing house forms and land use patterns have been examined. With respect to conversion, a variety of typical Ontario house forms were looked at. The overall conclusion reached was that most single family grade-related house forms could be converted to create at least one additional self-contained dwelling unit. Obviously larger houses provide greater flexibility and opportunities for more dwelling units. Factors such as floor plans, age, quality of construction and location will also affect the practicality and cost of converting. Potential for infill, including horizontal additions to single family homes, is dependent upon such factors as lot size, siting and parking. Innovative parking solutions could substantially increase opportunities for infill and conversion.

In terms of the types of units created, there is potential for much greater variety in converted housing than that which the market conventionally produces. Because it is grade related, converted and infill housing is particularly appropriate for families, providing an alternative form of rental housing for them. In fact, it is likely that converted and infill housing could satisfy the needs of all types of users, except where stairs are involved, which would limit access for the handicapped and some elderly persons.

The following analysis looks at physical potential for conversion and infill in terms of house forms and land use patterns according to the five study models.

Model 1

(Changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals, with no or minor physical alterations.)

Model 1 involves no physical alterations so house form is not a major consideration.

Model 2

(Changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alteration.)

Most single family grade-related house forms in Ontario could be physically altered to accommodate at least one additional self contained unit. Even a small bungalow can be converted relatively easily by providing a second unit in the basement.

The larger the original dwelling the more flexibility there is for conversion. For example a larger bungalow would likely present the option of dividing the ground floor into two units. One and a half storey houses can have dormers added to create more floor space for conversion and decks can be added to two and three storey houses to create additional outdoor space and increase conversion options.

Existing floor plans can affect circulation patterns of converted dwelling units. With side hall plans (frequently found with semi-detached houses), circulation off a hall is generally easy to provide. Converted centre hall plan homes will often of necessity have room to room circulation rather than hall circulation.

Although costs will be affected by many different factors, major costs for new plumbing can be minimized by designing conversions so that new kitchens and bathrooms are in close proximity to the existing ones. This could mean on adjoining walls or directly above or below existing facilities.

Model 3

(Building an addition, vertically or horizontally, to a grade related dwelling to increase the number of dwelling units.)

Conversion potential can be substantially increased through vertical additions. In most cases, a second storey can be added to a bungalow plan to create a second unit. Likewise, adding a third floor to a two storey house will increase the options for converted dwelling units.

House form (configuration), lot size and siting can have a limiting effect on the potential for horizontal additions. Not all lots are large enough and the way in which the house is sited on the lot, even if it is large, can limit the potential for a horizontal addition. Generally speaking, horizontal additions are likely to be more possible with detached houses as lot sizes tend to be larger. Often corner lots will be larger creating an opportunity for a horizontal addition.

Some existing garages will present opportunities for conversion to residential space. Conversion to provide a bachelor unit is becoming a popular means in some jurisdictions, of providing a "granny unit" as the unit provides direct access without the use of stairs.

Model 4

(Building a second or third separate dwelling on a lot which presently has one dwelling unit in place.)

The potential for back lot or side lot infill will be determined by lot size, siting of the existing dwelling and the availability of rear access to the lot. Side lot infill can only be accomplished with a minimum of 15-20 feet of

frontage whereas rear lot infill requires far less frontage. The potential for rear lot infill is therefore likely to be much greater. For rear lot infill, access can be from a back lane if this is available, or from a side driveway.

Model 5

(Building several separate dwelling units on a lot which already has a multiple family development in place.)

Model 5 is perhaps the least constrained of the five models in terms of existing land use patterns. Many high-rise apartment complexes constructed during the 60's and 70's were built on the "tower in the park" principle with vast amounts of landscaped open space surrounding the complex. A large number of these projects offer considerable opportunity for infilling grade related or low-rise type residential buildings on part of this open space. Existing underground garages of such developments may have surplus parking spaces which can be used for the new infill housing.

PART 3.1.2

PHYSICAL POTENTIAL OF THE EXISTING STOCK

Prepared by:
Clayton Research Associates

3.1.2. PHYSICAL POTENTIAL OF THE EXISTING STOCK

1.0 INTRODUCTION

This section presents an examination of the physical potential for implementation of the various models outlined in the introduction. Since generally available data from the Census and other sources casts relatively little light on this important area, an attempt was made as part of this study to generate such data from the provincial assessment files and from local municipal information sources. Some important new information has been gathered as a result of these efforts, but in most cases the information pertains only to the case study areas; judgements about the applicability of information on these areas to other parts of the province are difficult. In general, the discussion focuses on the case study areas for which suitable information on the dwelling stock was available for this study. As such, the conclusions to be drawn from the analysis must be tempered by the fact that complete information on all areas simply is not available.

The most comprehensive data source on the housing stock in Ontario is the 1981 Census of Canada. Though most of the information from the Census was not available at the time this study was prepared, special Census tabulations requested from Statistics Canada provided much of the base housing stock and occupant information from which the estimates presented in this section were formulated. The original intention was to supplement and broaden this data base through the extensive use of provincial assessment data and municipal data in areas where Census data was not available. While most important new information was obtained from these supplementary sources, the results generally were disappointing compared to original expectations.¹

Before outlining the physical potential of the grade-related stock, it is useful to examine the characteristics and distribution of this stock.

¹ Part V, Volume 11 on Data Sources and Problems explains in more detail the types of problems encountered in attempting to use the provincial property assessment files for this study as well as the methods used to overcome the problems and some suggestions on how the vast potential for data from these files might be more effectively utilized.

Table 1.0: Owner-Occupied And Total Occupied Grade-Related Stock
By Dwelling Type
Case Study Areas And Ontario, 1981 (000's Of Dwelling Units)

Case Study Areas	Owner-Occupied Dwellings				Total Occupied Dwellings			
	Single-Detached	Semi-Detached	Row	Total	Single-Detached	Semi-Detached	Row	Total
Toronto	41.8	38.2	8.0	88.0	49.8	48.9	12.8	111.5
North York	62.7	18.3	5.5	86.5	66.3	19.5	12.2	98.0
Hamilton	53.8	3.8	2.6	60.2	58.5	5.0	6.5	70.0
Ottawa	33.9	3.8	3.2	40.9	37.6	8.0	11.9	57.5
Kingston	7.1	0.7	0.4	8.2	8.2	1.3	1.5	11.0
Woodstock	5.5	0.6	0.1	6.2	5.9	1.0	0.5	7.4
All Case Study Areas	204.8	65.4	19.8	290.0	226.3	83.7	45.4	355.4
Urban Ontario Centres 10,000+	1,003.5	151.8	64.6	1,219.9	1,092.6	192.4	145.8	1,430.8
All Ontario	1,527.7	163.6	67.1	1,758.4	1,691.0	215.5	154.1	2,060.6

Source: 1981 Census of Canada

In total, there are over 2 million grade-related dwellings in the Province of Ontario; of these, over 1.4 million are located in urban areas with a population of 10,000 persons or more - it is in these urban areas which this study is most interested.

- The vast majority of the grade-related stock in Urban Ontario is owner-occupied, only about 15 percent of the stock is rental.
- Single-detached dwellings comprise over three-quarters of the grade-related stock in Ontario urban areas.
- The six case study areas selected for this study comprise a total of almost one-quarter of the urban grade-related stock in Urban Ontario.
- The City of Toronto appears to be the most atypical of the case study areas with 55 percent of its grade-related stock comprised of semi-detached and row units and over 20 percent of its stock in rental tenure. The City accounts for over one-quarter of Urban Ontario's semi-detached dwelling stock.
- In North York and Ottawa semi-detached and row dwellings account for approximately one-third of the grade-related stock.
- The single-detached house is clearly dominant in the other centres where this housing form accounts for 75-85 percent of the grade-related stock.

2.0 THE PHYSICAL POTENTIAL FOR CONVERSION MODELS 1 AND 2

Models 1 and 2 relate to the rearrangement of living space within an existing grade-related dwelling either to facilitate the accommodation of additional unrelated persons within the same household (sharing accommodation) or to alter the building such that an additional household (or households) could be accommodated:

- . Model 1: changing a grade-related dwelling such that additional unrelated persons could be added to the household by sharing accommodation;
- . Model 2: changing a grade-related dwelling from single household use to multiple household use through physical alterations to create additional self-contained dwelling units.¹

In neither case is the outside appearance or actual size of the building substantially altered, i.e., the original gross floor area is maintained.

Special tabulations obtained from the Ontario Ministry of Revenue property assessment files for the six case study areas indicate that, almost by any reasonable yardstick, a considerable proportion of the owner-occupied grade-related stock of dwellings is under-utilized. Table 2.0 presents estimates of the percentage distribution of the owner-occupied grade-related stock in the case study areas by gross floor area/person ratio.²

¹ The Census of Canada definition of a household as a person or group of persons who occupy a self-contained dwelling unit has been adopted for this study. A self-contained dwelling is a structurally separate set of living quarters with a private entrance from outside or from a common hallway or stairway inside the building. In Model 1, the original self-contained dwelling is maintained whereas in Model 2, at least one additional self-contained unit is created.

² Similar data obtained for the tenant-occupied stock was not considered to be sufficiently reliable for inclusion in this analysis.

Table 2.0: Utilization Of Owner-Occupied Grade-Related Stock
Case Study Areas, 1981 (Percent)

Case Study Area	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Sq. Ft./Person
	-249	250-499	500-749	750-999	1,000-1,499	1,500-1,999	2,000+	
Toronto	11.0	38.2	24.8	9.4	12.0	3.1	1.4	508
North York	10.4	49.8	25.1	7.5	5.5	1.1	0.6	449
Hamilton	16.7	47.6	21.5	6.0	6.6	1.2	0.4	425
Ottawa	7.8	43.0	29.4	8.4	9.0	1.8	0.6	494
Kingston	11.3	42.3	25.6	8.7	9.3	2.0	0.8	479
Woodstock	15.5	47.1	21.4	7.9	6.5	1.2	0.4	433
All Case Study Areas	11.7	45.0	24.8	7.9	8.1	1.8	0.8	463

* Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

In general, all case study areas have a similar utilization pattern though there are minor differences. Many of these differences can be explained by the different occupant profiles in each area since families clearly have a much lower average gross floor area/person ratio than singles or couples (see Table 2.1 below).

The median gross floor area/person ratio for most case study areas is in the 425-500 square foot range. By most definitions this is a relatively generous utilization figure. Nonetheless, just over 10 percent of the stock in most case study areas has a gross floor area/person ratio of less than 250 square feet - almost all of these (overcrowded?) households appear to be families with children.

There appears to be no specified minimum acceptable gross floor area/person ratio in the Ontario Building Code; however, something in the order of 250 square feet (net) appears to be the minimum size which a bachelor unit may be under the Code. For the purposes of this study, 250 net square feet per person is assumed to be the minimum ratio which households would be prepared to accept.

It would appear that all dwellings with gross floor area/person ratios of 500 square feet or more could accommodate additional people without violating the 250 net square foot minimum figure: for example, if a two-person household with a current gross floor area/person ratio of 500 square feet added another person, the resulting ratio would be 333 square feet per person

- still above the 250 square foot net figure even if allowance is made for the fact that the 333 figure is gross while the 250 minimum is net. The only circumstance in which a dwelling with a ratio of 500 square feet per person would violate the minimum net figure by adding a person is the case of one-person household; it is considered that owner-occupied grade-related dwellings of 500 square feet occupied by one person are relatively rare. In any case these are likely to be more than offset by the dwellings with less than 500 square feet per person which could add a person and still not violate the 250 net square foot minimum figure.

In over 40 percent of the owner-occupied grade-related stock the ratio is over 500 square feet per person and in over 10 percent of the stock the ratio exceeds 1,000 square feet per person. It is clear that there is considerable scope for more effective utilization of the grade-related stock along the lines presented in Models 1 and 2.

Table 2.1: Utilization of Owner-Occupied Grade-Related Housing Stock
By Owner Characteristics
Total Case Study Areas, 1981 (Percent)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Media Sq. F Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000 +		
Young Owner-Occupants, Less Than 35 Years									
- Singles	0.0	3.6	19.1	18.6	46.0	9.6	3.1	100.0	1,095
- Couples	0.1	17.5	61.7	15.2	4.9	0.5	0.1	100.0	631
- Families (with children)	19.1	67.9	10.7	1.9	0.3	0.0	0.0	100.0	364
Single-Parent Owner Families	4.5	48.3	36.1	8.4	2.6	0.2	0.0	100.0	486
Middle-Aged Owner-Occupants									
- Singles & Couples (35-54 Years no children)	0.1	12.9	45.4	17.5	18.5	4.0	1.7	100.0	704
- Families (with children)									
- 35-54 Years	22.4	62.7	12.2	2.1	0.5	0.1	0.0	100.0	360
- 55+ Years	13.1	67.2	15.4	3.1	1.0	0.1	0.1	100.0	387
Empty-Nester Owners 55+ Years									
Singles and Couples no children	0.1	15.0	43.8	16.7	19.0	3.9	1.5	100.0	600
Total Owners (Except Multiple-Family Households)	11.7	45.0	24.8	7.9	8.1	1.8	0.8	100.0	463

* Includes owner-occupants of all single-detached, semi-detached and row dwellings except multiple-family households; the gross floor area/person ratio distribution for multiple-family households could not be reliably estimated using the property assessment data.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

A following major section examines the types of owners who might look favourably upon conversion of their dwellings. As a preview to that analysis, Table 2.1 presents, for the six case study areas together, the gross floor area/person ratio distribution for the major owner-occupant groups.

Clearly, there is a considerable variation in the utilization of the stock among different types of owners:

- . Almost 60 percent of young singles (defined in this study to include non-family households of one or two persons where the head is aged less than 35 years) who own a grade-related dwelling have a ratio in excess of 1,000 square feet per person; less than 5 percent have ratios of less than 500 square feet per person.
- . Young owner couples also have relatively high gross floor area/person ratios - over 80 percent have more than 500 square feet per person.
- . Families with both spouses as well as children living at home, regardless of the age of the head, appear generally to be more intensively housed - over 80 percent have ratios of less than 500 square feet per person; about 20 percent overall have less than 250 square feet per person.
- . Single-parent families appear to be less intensively housed than families with both spouses - the estimates for this group are considered to be less reliable than for the other groups so these figures should be treated as being only broadly representative of the distribution for single-parent families.
- . Empty-nesters as well as middle-aged singles and couples, appear generally to have large amounts of living space per person - about three-quarters of the owner households in these groups have gross floor area/person ratios in excess of 500 square feet per person.

These general observations appear to apply in all six case study areas; there was no significant variation in the utilization distributions for each group in different areas.

If one assumes that the utilization distributions presented for each group in the combined case study areas (Table 2.1) are generally representative of the utilization distributions for the same groups for Urban Ontario as a whole, it is possible to estimate the numbers of dwellings in each utilization category. Table 2.2 presents these estimates for Urban Ontario based on the 1981 Census of Canada distribution of owner-occupied grade-related dwellings by household type.

Table 2.2: Utilization Of Owner-Occupied Grade-Related Housing Stock By Owner Characteristics Urban Ontario, 1981 (000's Of Dwelling Units)*

	Gross Floor Area/Person Ratio (Sqaure Feet/Person)							Median	
	-249	250-499	500-749	750-999	1,000-1,499	1,500-1,999	2,000+	Sq. Ft./Person	
Young Owner-Occupants, Less Than 35 Years									
- Singles	0.0	0.7	3.5	3.4	8.4	1.7	0.6	18.2	1,095
- Couples	0.1	9.9	35.0	8.6	2.8	0.3	0.1	56.7	631
- Families (with children)	31.0	110.1	17.4	3.1	0.5	0.0	0.0	162.2	364
Single-Parent Owner Families	3.4	36.3	27.1	6.3	2.0	0.2	0.0	75.2	486
Middle-Aged Owner-Occupants									
- Singles & Couples (35-54 Years no children)	0.1	10.7	37.6	14.5	15.3	3.3	1.4	82.8	704
- Families (with children)									
- 35-54 Years	94.5	264.5	51.5	8.9	2.1	0.4	0.0	421.8	360
- 55+ Years	13.7	70.4	16.1	3.3	1.1	0.1	0.1	104.8	387
Empty-Nester Owners 55+ Years									
Singles and Couples (no children)	0.3	41.0	119.8	45.7	52.0	10.7	4.1	273.5	699
Total Owners (Except Multiple-Family Households)	143.1	543.6	308.0	93.8	84.2	16.7	6.3	1,195.4	463

* The number of owner-occupied grade-related units indicated in this exhibit does not correspond with the total shown in Table 1.0 because the data here excludes multiple-family households; the gross floor area/person ratio distribution could not be reliably estimated for this group using the property assessment data.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

Assuming that any grade-related dwelling with a current utilization figure of 500 or more square feet per person is capable of accomodating an additional person or family (Models 1 and 2) without overcrowding, the overall potential for such conversions in Urban Ontario totals over half a million units. Of course, only a fraction of the owners of these units will find the conversion options attractive. However, considering that the majority of the half million units are owned by groups which might look favourably upon conversion of their dwellings, there does seem to be considerable potential in this regard.

- . About 45 percent are empty-nester singles or couples aged 55 years or more.
- . One-quarter are singles and couples aged less than 55 years.
- . Just over one-quarter are families with children - a group considered unlikely to wish to convert their dwelling.

It is also worth noting that the demographic trends projected for the 1980's and 1990's will likely swell the ranks of the number of owner-occupied grade-related dwellings which (under the above type of analysis) are under-utilized. Particular trends which will strengthen this are:

- . The overall decline in average household sizes in most groups which is expected to continue over the next two decades;
- . The aging of the very large group of families (with children) who's heads are now aged 35-54 years into the empty-nester group; and
- . The expected continuing trend towards one and two person households in most age groups.

The percentage distribution of the under-utilized grade-related dwelling stock among the various owner-occupant groups in each case study area is presented in Table 2.3.

Table 2.3: Owner-Occupied Grade-Related Housing Stock With Gross Floor Area/ Person Ratios Of 500 Square Feet/Person Or More By Owner Characteristics, Case Study Areas And Urban Ontario, 1981 (Percent Distribution)*

	Case		Study			Areas	
	Toronto	North York	Hamilton	Ottawa	Kingston	Woodstock	Total** Urban Ontario
Young Owner-Occupants, Less Than 35 Years							
- Singles	6.1	1.7	3.7	3.4	2.9	4.5	3.9 3.5
- Couples	7.7	5.6	8.7	7.8	8.6	4.5	7.3 9.2
- Families (with children)	1.8	4.2	2.3	2.0	0.0	4.5	2.6 4.1
Single-Parent Owner Families	8.1	8.4	6.0	8.3	2.9	4.5	7.7 7.0
Middle-Aged Owner-Occupants							
- Singles & Couples (35-54 Years no children)	15.4	12.5	13.8	14.6	14.3	13.6	14.1 14.2
- Families (with children)							
- 35-54 Years	10.6	17.0	4.6	8.8	5.7	4.5	10.9 12.4
- 55+ Years	4.5	6.4	3.2	4.4	2.6	0.0	4.7 4.1
Empty-Nester Owners 55+ Years Singles and Couples (no children)	45.7	44.3	57.8	50.7	62.9	63.6	48.9 45.6
Total Owners (Except Multiple-Family Households)	100.0	100.0	100.0	100.0	100.0	100.0	100.0 100.0

* Includes owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

In all areas, by far the largest group with under-utilized grade-related dwelling is the empty-nester group. They account for about 45 percent of the stock in Toronto and North York, up to about 63 percent in Kingston and Woodstock. Clearly, it is with this group that the lion's share of the potential for Conversion Models 1 and 2 rests in all case study areas.

It should be noted in interpreting the information presented in this section that only owner-occupied grade-related dwellings are covered. Information on the utilization of tenant-occupied dwellings could not be derived reliably from the property assessment data so little is known about the 211,000 tenant-occupied (absentee landlord) grade-related dwellings in Urban Ontario in 1981. These absentee landlord units accounted for about 15 percent of the total occupied grade-related stock in 1981.

3.0 THE PHYSICAL POTENTIAL FOR MODEL 3

Model 3 relates to building an addition (either vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units in the property. The physical capacity to build such additions to typical structures is such that most (if not all) of the grade-related stock could be considered as potential for Model 3. In fact, however, a major constraint on such activity is the zoning under which the dwelling is situated; in most areas, owners will be constrained as to the size (if any) of additions they are allowed to make.

Unfortunately, relatively little comprehensive data is available on the types of zoning which apply to the grade-related stock and the amount of new additions which would be allowed under the zoning regulations. In an attempt to cast some light on this important area, a series of special tabulations for the City of Toronto were obtained for this study through the co-operation of the City of Toronto Planning and Development Department. The tabulations which are applicable to Conversion Model 3 provide not only the breakdown of the current stock of grade-related dwellings by zoning category, but also the amount of gross floor area which could be added to each dwelling under the current zoning restrictions. At the outset of the study, it was intended to obtain similar information for all case study areas, however, the complexity of the zoning regulations and the limitations of the data on the Ministry of Revenue property assessment files in addition to time and cost considerations made this ambitious exercise unfeasible. The City of Toronto data should, nonetheless, provide a valuable insight into the physical potential for this type of conversion.

The main residential zoning categories in the City of Toronto and the regulations as they pertain to conversions are as follows:

- . R1 - permits private detached dwellings only, converted houses permitted only within a restricted area;
- . R1A and R1F - permits conversions only in private detached dwellings;
- . R2, R3, R4 and R4A - permits conversions in other than row houses or apartments.

There are, of course, some grade-related dwellings in other area zoned for commercial or other uses, but these represent only about 3 percent of the stock, so they are not covered explicitly here.

Table 3.0 presents the estimated breakdown of the 1981 stock of grade-related dwellings in the City of Toronto by zoning.

Table 3.0: Grade-Related Stock By Zoning
City Of Toronto, 1981 (000's Dwelling Units)

	<u>R1</u>	<u>R1A & R1F</u>	<u>R2, R3, R4 & R4A</u>	<u>Other</u>	<u>Total</u>
Single-Detached	13.4	2.8	32.7	0.8	49.7
Semi-Detached	0.4	1.1	45.6	1.9	49.0
Row	0.0	0.1	11.7	1.0	21.8
	<u>13.8</u>	<u>4.0</u>	<u>90.0</u>	<u>3.7</u>	<u>111.5</u>

Source: Estimates by Clayton Research Associated based on special tabulations from the City of Toronto Planning and Development Department and the 1981 Census of Canada.

From this table it seems clear that zoning is not a major restriction on conversion for the vast majority of Toronto's grade-related stock - almost three-quarters of the stock meet the zoning criteria which would allow conversion of the structure to multiple household use.

There is, however, a further zoning restriction on building additions onto dwellings; i.e., the gross floor area/lot area ratio permitted. In the City of Toronto, this restriction is achieved by establishing a secondary zoning category which specifies allowable gross floor area:

- Z1: 0.35 times lot area
- Z2: 0.6 times lot area
- Z3: 1.0 times lot area
- Z4: 2.0 times lot area
- Z5: 2.5 times lot area

Applying these maximum gross floor area/lot area ratios to the stock of grade-related units (for which both lot area and gross floor area were available on the City of Toronto special files) it was possible to establish how much potential actually exists for creating additions to the stock of grade-related dwellings under current zoning.¹

¹ This assumes that all other criteria such as side-yard and set-back requirements and building code regulations can be satisfied.

Table 3.1: Grade-Related Stock Where Current Zoning Would Permit Additional Building Area
City Of Toronto, 1981 (000's Dwelling Units)

Additional Building Area Allowed Under Z Zoning (Square Feet)	R Zoning Permits No Conversions*	R Zoning Permits Conversions	Total
0 or less	13.6	25.4	39.0
1 - 299	4.9	20.2	25.1
300 - 99	3.6	13.2	16.8
600 - 899	3.2	8.7	11.9
900 - 199	1.9	5.6	7.5
1,200 - 1,499	1.1	2.9	4.0
1,500 - 1,799	0.7	1.6	2.3
1,800 - 2,099	0.4	1.0	1.4
2,100 +	1.0	2.5	3.5
Total	30.4	81.1	111.5

* The "other" zoning category from Table 3.0 has been included in this category for the purposes of this analysis.

Source: Estimates by Clayton Research Associates based on special tabulations from the City of Toronto Planning and Development Department and the 1981 Census of Canada.

In total, over two-thirds of Toronto's grade-related dwelling stock could not, under existing zoning restrictions, build a Model 3 type of addition:

- Over 30,000 units are in areas (or are of the structure type) where no conversions are permitted;
- Over 25,000 units have gross floor area/lot area ratios which are equal to or exceed the allowable maximum; and
- While a further 20,000 units could theoretically add up to 299 square feet, this is approximately the minimum sized addition which could be constructed.

The remainder of the grade-related stock, however - a total of more than 35,000 units - appear to have the physical potential to allow an addition in excess of 300 square feet to be constructed without violating zoning restrictions. This represents a sizeable potential.

Over 5,000 of these units could accomodate in excess of 1,500 square feet of addition - enough to add 3-4 additional apartment type units.

This section has addressed only the capacity to build additional square footage. Another consideration if it is intended to make a horizontal type of addition is the amount of lot area available. This is covered in the next section.

4.0 THE PHYSICAL POTENTIAL FOR MODEL 4

Infill Model 4 relates to building a second or third dwelling unit on a lot which already has one grade-related dwelling in place; examples would include back lot and side lot developments. The physical potential for such infill is constrained by the amount of lot space available as well as by the zoning which applies to the property.

As with Model 3, there is relatively little comprehensive data available on the physical potential for this type of conversion. A second set of tabulations obtained for this study through the co-operation of the City of Toronto Planning and Development Department do, however, provide an important insight into the physical potential for Model 4 in the City of Toronto.

The City of Toronto zoning bylaws restrict the amount of lot area which can be built upon by establishing minimum landscaped open space requirements. The open space requirements are:

- Z1 to Z3: 30 percent of lot area
- Z4 to Z5: 35 percent of lot area

Applying these minimum open space requirements to the stock of grade-related dwellings (for which both existing ground floor area and lot areas were available on the City of Toronto files) yielded the information in Table 4.0; i.e., the potential under current zoning for building additional dwellings on lots which already have a grade-related dwelling in place.¹

¹ As with the estimates of additional building area allowed under current zoning (Table 3.1) this analysis assumes that all other criteria such as side-yard and set-back requirements can be satisfied.

Table 4.0: Grade-Related Stock Where Current Zoning Would Permit Additional Lot Area To Be Built Upon City Of Toronto, 1981 (000's Dwelling Units)

Additional Lot Area Allowed Under Z Zoning (Square Feet)	R Zoning Permits No Conversions*	R Zoning Permits Conversions	Total
0 or less	14.1	30.1	44.2
1 - 299	6.0	36.6	42.6
300 - 599	3.9	10.5	14.4
600 - 899	2.4	2.3	4.7
900 - 1,199	1.5	0.8	2.3
1,200 - 1,499	0.9	0.3	1.2
1,500 - 1,799	0.5	0.2	0.7
1,800 - 2,099	0.3	0.1	0.4
2,100 +	0.8	0.2	1.0
Total	30.4	81.1	111.5

* The "other" zoning category from Table 3.0 has been included in this category for the purposes of this analysis.

Source: Estimates by Clayton Research Associates based on special tabulations from the City of Toronto Planning and Development Department and the 1981 Census of Canada.

In total, over 93 percent of the City of Toronto's grade-related stock is prohibited by one form of zoning or the other from creating Model 4 types of infill:

- Over 30,000 units are located in areas (or are of the structure type) where no conversions are permitted;
- A further 30,000 units do not have sufficient open space to allow even one more square foot of lot area for building; and
- Over 36,000 units have sufficient open space only to allow less than 300 square feet of additional lot area for building - 500 square feet is considered to be the minimum available lot area on which Model 4 would be feasible.

The physical potential for Model 4 is estimated to be limited under existing open space zoning requirements to less than 7 percent of the grade-related stock in the City of Toronto.

If the only restriction to infill was the landscaped open space requirements specified under the Z zoning restrictions (i.e., if Model 4 were allowed in areas where the R zoning prohibited infill) a total of approximately

13 percent of the stock would be considered to have the physical potential for such infill. This includes all grade-related dwellings which could build an additional 500 square feet of lot area and still meet the Z zoning requirements.

The discussion on Models 3 and 4 has treated their physical potential separately on the basis of additional permitted square footage of building area and additional lot area which could be built upon according to zoning restriction. In fact, both models would have to satisfy the zoning restrictions, i.e.:

- . Model 3 would not only be restricted by the permitted square footage of building but would also have to satisfy the open space requirement as well;
- . Model 4 would not only have to satisfy the open space requirement but would be restricted by the permitted square footage as well.

Therefore, the physical potential for each of these models cannot be regarded as additive; in fact, given the zoning restriction the physical potential for either would likely be less than that indicated in Tables 3.1 and 4.0 since the other restriction might disqualify the dwellings eligible under each of the zoning restrictions.

5.0 THE PHYSICAL POTENTIAL FOR MODEL 5

Model 5 relates to building several separate rental dwelling units on a lot which already has a multiple family development in place, an example would include building a set of townhouses on landscaped open space around a high-rise building. Although most high-rise apartment buildings in residential areas have a relatively large amount of open space, the ability to build on this land is constrained by zoning regulations.

Available information on the physical potential for Model 5 is as scarce as for the other models. As with Models 3 and 4, the only reliable information which was available for this study on the physical potential for Model 5 was obtained from the City of Toronto Planning and Development Department.

Using the minimum landscaped open space requirements applicable under each apartment property's Z zoning restrictions, Table 5.0 presents estimates of the number of apartment properties which have available lot area for building. Unfortunately, the tabulation covers only three-quarters of the apartment structures in Toronto; the majority of the remainder have commercial zoning - it seems unlikely that many of these commercially zoned properties would have excess lot area available.

Table 5.0: Apartment Properties Where Current Zoning Would Permit Additional Lot Area To Be Built Upon City Of Toronto, 1982

<u>Available Lot Area (Square Feet)</u>	<u>Total</u>	<u>Percent</u>
0 or less	717	66.0
1 - 1,999	151	13.9
2,000 - 4,999	71	6.5
5,000 - 9,999	50	4.6
10,000 - 14,999	78	7.2
15,000 - 29,999	0	0.0
30,000 +	<u>20</u>	<u>1.8</u>
Total	1,087	100.0

Source: Special tabulations prepared by City of Toronto Planning and Development Department

The physical potential for the construction of additional new units of the Model 5 type appears to be relatively limited. Two-thirds of apartment properties have insufficient open space to allow even one more square foot of lot area for building; and a further 20 percent have less than 5,000 square feet of lot area available.

Nonetheless, a total of 148 apartment properties in the City of Toronto have sufficient open space that more than 5,000 square feet could be used for additional building without violating the minimum open space requirements.¹ If one assumes an average ground floor area of about 400 square feet for these additional units, it would appear that in excess of 5,000 new units could be created on under-utilized apartment sites in the City of Toronto.

¹ Such building might, on the other hand, violate the gross floor area/lot area zoning restrictions; this was not explored in this study.

APPENDIX A:

TABLES - UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK

- City of Toronto
- City of North York
- City of Hamilton
- City of Ottawa
- City of Kingston
- City of Woodstock

- Urban Ontario
- Total Ontario

Source: Special tabulations from Ministry of Revenue property assessment files and estimates by Clayton Research Associates based on 1981 Census information.

DESCRIPTION

Three sets of tabulations are included here:

- . Tables 1-7: the percentage distribution of the owner-occupied grade-related housing stock for each case study area showing the gross floor area/person ratio for each group of owners. The distributions were estimated using special tabulations from the Ministry of Revenue property assessment files with some adjustments by Clayton Research as deemed appropriate. The adjustments were necessary because the assessment data did not contain sufficient detail to identify the groups required in other than a very broad manner.
- . Table 8: a comparison of the sizes of the groups calculated from the assessment data (after adjustments by Clayton Research Associates) and from the 1981 Census - the latter are considered to be most reliable. In general, except for single-parent families, the ratios are in reasonable proximity to the ratio for total owners. The totals are different primarily because the assessment data relates to properties while the Census data relates to dwelling units.
- . Tables 9-16: estimates of the utilization of the stock of owner-occupied grade-related dwellings (from the 1981 Census) showing the gross floor area/person ratio for each group of owners. These estimates were prepared by applying the percentage distributions in Tables 1-7 to the 1981 Census stock of dwellings (Table 8). The estimates for single-parent families in all areas should be treated with caution. The estimates for Ontario were prepared based on the total case study area estimates and should be regarded as only very broadly indicative of province-wide trends.

TABLE 1
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF TORONTO, 1981 (PERCENT)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+ Total**	
<u>Young Owner-Occupants, Less Than 35 Years</u>								
Singles	0.0	3.3	16.6	16.8	48.1	10.5	4.6	100.0
Couples	0.1	13.7	62.9	17.7	5.1	0.4	0.1	100.0
Families (with children)	20.5	66.8	10.4	1.9	0.4	0.0	0.0	100.0
<u>Single-Parent Owner Families</u>	3.5	45.1	37.8	10.9	2.7	0.0	0.0	100.0
<u>Middle-Aged Owner-Occupants</u>								
Singles & Couples (35-54 Years no children)	0.1	10.7	38.9	19.6	22.1	5.9	2.7	100.0
Families (with children)								
35-54 Years	22.7	58.0	14.8	3.2	1.1	0.2	0.0	100.0
55+ Years	13.8	62.3	17.5	4.0	1.9	0.3	0.1	100.0
<u>Empty-Nester Owners 55+ Years</u>								
Singles and Couples no children	0.2	10.2	38.3	17.2	25.2	6.2	2.8	100.0
<u>Total Owners</u>	11.0	38.2	24.8	9.4	12.0	3.1	1.4	100.0

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 2
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF NORTH YORK, 1981 (PERCENT)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person	
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+		Total**
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	3.3	16.6	18.5	47.0	10.9	3.6	100.0	1,123
Couples	0.1	16.4	57.5	16.2	8.7	0.9	0.1	100.0	646
Families (with children)	13.0	63.0	19.0	4.2	0.6	0.1	0.0	100.0	397
<u>Single-Parent Owner Families</u>	1.5	41.8	41.4	10.6	4.4	0.4	0.0	100.0	540
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	11.3	49.6	18.2	16.5	3.1	1.4	100.0	695
Families (with children)	17.1	64.8	14.9	2.6	0.5	0.1	0.0	100.0	377
35-54 Years	11.3	67.3	16.4	3.8	1.0	0.1	0.0	100.0	394
55+ Years									
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.0	14.4	48.0	18.1	15.8	2.6	1.1	100.0	685
<u>Total Owners</u>	10.4	49.8	25.1	7.5	5.5	1.1	0.6	100.0	449

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 3
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF HAMILTON, 1981 (PERCENT)*

	Gross Floor Area/Person Ratio (Square Feet/Person)								Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+ Total**		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	5.0	25.3	22.6	32.5	6.8	1.8	100.0	968
Couples	0.0	25.5	63.1	8.7	2.5	0.1	0.0	100.0	597
Families (with children)	24.9	69.9	4.6	0.6	0.0	0.0	0.0	100.0	340
<u>Single-Parent Owner Families</u>	9.6	55.8	29.2	4.1	0.9	0.3	0.0	100.0	431
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	22.0	48.6	12.3	13.1	2.5	0.7	100.0	640
Families (with children)	33.7	60.9	4.7	0.6	0.0	0.0	0.0	100.0	317
35-54 Years	18.2	70.9	9.5	1.1	0.2	0.0	0.0	100.0	362
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.1	23.2	42.5	14.2	16.2	2.8	0.9	100.0	657
<u>Total Owners</u>	16.7	47.6	21.5	6.0	6.6	1.2	0.4	100.0	425

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 4
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF OTTAWA, 1981 (PERCENT)*

		Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person	
		-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+ Total**		
<u>Young Owner-Occupants, Less Than 35 Years</u>										
	Singles	0.0	2.1	16.7	14.2	52.8	12.9	1.7	100.0	1,161
	Couples	0.1	9.8	68.6	16.8	4.5	0.1	0.1	100.0	646
	Families (with children)	10.7	74.5	13.5	1.0	0.3	0.1	0.0	100.0	381
<u>Single-Parent Owner Families</u>										
		1.7	45.3	41.5	9.0	2.6	0.0	0.0	100.0	518
<u>Middle-Aged Owner-Occupants</u>										
	Singles & Couples (35-54 Years no children)	0.0	6.3	48.6	18.8	21.0	4.0	1.4	100.0	724
	Families (with children)	16.6	68.6	13.2	1.4	0.3	0.0	0.0	100.0	371
	35-54 Years	9.2	69.7	18.0	2.5	0.5	0.0	0.0	100.0	396
<u>Empty-Nester Owners 55+ Years</u>										
	Singles and Couples no children	0.0	8.1	50.1	17.5	19.5	3.8	0.9	100.0	708
<u>Total Owners</u>										
		7.8	43.0	29.4	8.4	9.0	1.8	0.6	100.0	494

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 5
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF KINGSTON, 1981 (PERCENT)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Median Square Feet/Person
	-249	250-499	500-749	750-999	1,000-1,499	1,500-1,999	2,000+		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	0.0	19.5	24.4	51.2	4.9	0.0	100.0	1,060
Couples	0.0	0.0	25.4	64.5	6.5	3.6	0.0	100.0	845
Families (with children)	24.2	68.8	5.9	1.1	0.0	0.0	0.0	100.0	344
<u>Single-Parent Owner Families</u>	7.5	60.4	22.6	3.8	5.7	0.0	0.0	100.0	426
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.2	18.1	45.4	15.0	18.6	2.3	0.4	100.0	675
Families (with children)	26.3	61.2	10.5	1.6	0.3	0.1	0.0	100.0	347
35-54 Years	14.1	67.8	14.4	2.7	0.6	0.0	0.3	100.0	382
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.0	20.8	40.7	16.3	16.9	4.0	1.4	100.0	679
<u>Total Owners</u>	11.3	42.3	25.6	8.7	9.3	2.0	0.8	100.0	479

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 6
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF WOODSTOCK, 1981 (PERCENT)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Median Square Feet/Person
	-249	250-499	500-749	750-999	1,000-1,499	1,500-1,999	2,000+		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	6.7	23.2	25.0	40.0	5.0	0.0	100.0	950
Couples	0.4	34.6	57.6	7.0	0.4	0.0	0.0	100.0	565
Families (with children)	23.8	70.7	5.1	0.4	0.0	0.0	0.0	100.0	343
<u>Single-Parent Owner Families</u>	6.1	67.4	24.5	0.0	0.0	2.0	0.0	100.0	413
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	24.0	47.3	14.7	11.8	1.9	0.3	100.0	637
Families (with children)	33.4	59.9	5.9	0.6	0.2	0.1	0.0	100.0	319
35-54 Years	18.0	69.8	9.8	1.7	0.6	0.0	0.0	100.0	365
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.1	25.9	37.6	18.4	14.1	2.8	1.1	100.0	660
<u>Total Owners</u>	15.5	47.1	21.4	7.9	6.5	1.2	0.4	100.0	433

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 7
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
TOTAL CASE STUDY AREAS, 1981 (PERCENT)*

	Gross Floor Area/Person Ratio (Square Feet/Person)								Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+	Total**	
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	3.6	19.1	18.6	46.0	9.6	3.1	100.0	1,095
Couples	0.1	17.5	61.7	15.2	4.9	0.5	0.1	100.0	631
Families (with children)	19.1	67.9	10.7	1.9	0.3	0.0	0.0	100.0	364
<u>Single-Parent Owner Families</u>	4.5	48.3	36.1	8.4	2.6	0.2	0.0	100.0	486
<u>Middle-Aged Owner-Occupants</u>									
<u>Singles & Couples (35-54 Years</u>									
no children)	0.1	12.9	45.4	17.5	18.5	4.0	1.7	100.0	704
Families (with children)									
35-54 Years	22.4	62.7	12.2	2.1	0.5	0.1	0.0	100.0	360
55+ Years	13.1	67.2	15.4	3.1	1.0	0.1	0.1	100.0	387
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples									
no children	0.1	15.0	43.8	16.7	19.0	3.9	1.5	100.0	699
<u>Total Owners</u>	11.7	45.0	24.8	7.9	8.1	1.8	0.8	100.0	463

* Includes owners of all single-detached, semi-detached and row dwellings.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from Ministry of Revenue property assessment files.

TABLE 8
RECONCILIATION OF ASSESSMENT AND CENSUS DATA
OWNERS OF GRADE-RELATED STOCK

	Toronto			Ottawa			Hamilton		
	Assess.	Census	Ratio*	Assess.	Census	Ratio*	Assess.	Census	Ratio*
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	779	2,800	3.59	288	700	2.43	501	800	1.60
Couples	2,402	4,000	1.67	1,307	1,700	1.30	2,467	2,600	1.05
Families (with children)	3,118	7,100	2.28	1,608	3,300	2.05	4,070	7,700	1.89
<u>Single-Parent Owner Families</u>	523	7,000	13.38	237	3,100	13.08	342	3,800	11.11
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	5,129	7,600	1.48	2,653	3,200	1.21	2,810	3,900	1.39
Families (with children)									
35-54 Years	19,589	24,200	1.24	11,562	12,400	1.07	18,001	18,200	1.01
55+ Years	11,413	8,500	0.74	6,615	4,700	0.71	8,818	5,900	0.67
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	16,860	22,500	1.33	10,153	11,300	1.11	15,120	16,400	1.08
<u>Total Owners**</u>	59,813	83,700	1.40	34,423	40,400	1.17	52,129	59,300	1.14
	North York			Kingston			Woodstock		
	Assess.	Census	Ratio*	Assess.	Census	Ratio*	Assess.	Census	Ratio*
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	302	700	2.32	41	100	2.44	60	100	1.67
Couples	1,898	2,400	1.26	169	300	1.78	243	200	0.82
Families (with children)	3,428	6,500	1.90	372	700	1.88	567	1,000	1.76
<u>Single-Parent Owner Families</u>	273	5,300	19.41	53	600	11.32	49	300	6.12
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	3,553	5,000	1.41	526	700	1.33	313	400	1.28
Families (with children)									
35-54 Years	32,434	33,600	1.04	1,953	2,100	1.08	1,794	1,700	0.95
55+ Years	16,755	11,100	0.66	992	800	0.81	660	400	0.61
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	16,237	18,600	1.15	2,494	2,800	1.12	1,812	1,900	1.05
<u>Total Owners**</u>	74,880	83,200	1.11	6,600	8,100	1.23	5,498	6,000	1.09

* Ratio of Census dwelling unit data to assessment property data for each of the owner groups.

** Does not include absentee landlords (for assessment or Census data) or multiple family owners (for Census data).

Source: Special tabulations from Ministry of Revenue property assessment files (with adjustments by Clayton Research Associates and special tabulations) from the 1981 Census of Canada.

TABLE 9
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF TORONTO, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	0.1	0.5	0.5	1.3	0.3	0.1	2.8	1,138
Couples	0.0	0.5	2.5	0.7	0.2	0.0	0.0	4.0	644
Families (with children)	1.5	4.7	0.7	0.1	0.0	0.0	0.0	7.1	360
<u>Single-Parent Owner Families</u>	0.2	3.2	2.6	0.8	0.2	0.0	0.0	7.0	509
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	0.8	3.0	1.5	1.7	0.4	0.2	7.6	754
Families (with children)									
35-54 Years	5.5	14.0	3.6	0.8	0.3	0.0	0.0	24.2	367
55+ Years	1.2	5.3	1.5	0.3	0.2	0.0	0.0	8.5	395
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.1	2.3	8.6	3.9	5.7	1.4	0.6	22.5	769
<u>Total Owners</u>	8.5	30.9	23.0	8.6	9.6	2.1	0.9	83.7	508

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 10
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF NORTH YORK, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	0.0	0.1	0.1	0.3	0.1	0.0	0.7	1,123
Couples	0.0	0.4	1.4	0.4	0.2	0.0	0.0	2.4	646
Families (with children)	0.9	4.1	1.2	0.3	0.0	0.0	0.0	6.5	397
<u>Single-Parent Owner Families</u>	0.1	2.2	2.2	0.6	0.2	0.0	0.0	5.3	540
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	0.6	2.5	0.9	0.8	0.2	0.1	5.0	695
Families (with children)									
35-54 Years	5.7	21.8	5.0	0.9	0.2	0.0	0.0	33.6	377
55+ Years	1.3	7.5	1.8	0.4	0.1	0.0	0.0	11.1	394
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.0	2.7	8.9	3.4	2.9	0.5	0.2	18.6	685
<u>Total Owners</u>	8.0	39.3	23.1	7.0	4.7	0.8	0.3	83.2	449

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 11
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF HAMILTON, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	0.0	0.2	0.2	0.3	0.1	0.0	0.8	968
Couples	0.0	0.7	1.6	0.2	0.1	0.0	0.0	2.6	597
Families (with children)	1.9	5.4	0.4	0.1	0.0	0.0	0.0	7.7	340
<u>Single-Parent Owner Families</u>	0.4	2.1	1.1	0.2	0.0	0.0	0.0	3.8	431
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	0.9	1.9	0.5	0.5	0.1	0.0	3.9	640
Families (with children)	6.1	11.1	0.9	0.1	0.0	0.0	0.0	18.2	317
35-54 Years 55+ Years	1.1	4.2	0.6	0.1	0.0	0.0	0.0	5.9	362
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.0	3.8	7.0	2.3	2.7	0.5	0.1	16.4	657
<u>Total Owners</u>	9.5	28.2	13.7	3.7	3.6	0.7	0.1	59.3	425

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 12
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF OTTAWA, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Total**	Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+		
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	0.0	0.1	0.1	0.4	0.1	0.0	0.7	1,161
Couples	0.0	0.2	1.2	0.3	0.1	0.0	0.0	1.7	646
Families (with children)	0.4	2.5	0.4	0.0	0.0	0.0	0.0	3.3	381
<u>Single-Parent Owner Families</u>	0.1	1.4	1.3	0.3	0.1	0.0	0.0	3.1	518
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.0	0.2	1.6	0.6	0.7	0.1	0.0	3.2	724
Families (with children)	2.1	8.5	1.6	0.2	0.0	0.0	0.0	12.4	371
35-54 Years 55+ Years	0.4	3.3	0.8	0.1	0.0	0.0	0.0	4.7	396
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.0	0.9	5.7	2.0	2.2	0.4	0.1	11.3	708
<u>Total Owners</u>	3.0	17.0	12.7	3.6	3.5	0.6	0.1	40.4	494

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 13
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF KINGSTON, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+	
<u>Young Owner-Occupants, Less Than 35 Years</u>								
Singles	0.0	0.0	0.0	0.0	0.1	0.0	0.0	1,060
Couples	0.0	0.0	0.1	0.2	0.0	0.0	0.0	845
Families (with children)	0.2	0.5	0.0	0.0	0.0	0.0	0.0	344
<u>Single-Parent Owner Families</u>	0.1	0.4	0.1	0.0	0.0	0.0	0.0	426
<u>Middle-Aged Owner-Occupants</u>								
Singles & Couples (35-54 Years no children)	0.0	0.1	0.3	0.1	0.1	0.0	0.0	675
Families (with children)	0.6	1.3	0.2	0.0	0.0	0.0	0.0	347
35-54 Years	0.1	0.5	0.1	0.0	0.0	0.0	0.0	382
<u>Empty-Nester Owners 55+ Years</u>								
Singles and Couples no children	0.0	0.6	1.1	0.5	0.5	0.1	0.0	679
<u>Total Owners</u>	1.0	3.4	1.9	0.8	0.7	0.1	0.0	479

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 14
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
CITY OF WOODSTOCK, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+	
<u>Young Owner-Occupants, Less Than 35 Years</u>								
Singles	0.0	0.0	0.0	0.0	0.1	0.0	0.0	950
Couples	0.0	0.1	0.1	0.0	0.0	0.0	0.0	565
Families (with children)	0.2	0.7	0.1	0.0	0.0	0.0	0.0	343
<u>Single-Parent Owner Families</u>	0.0	0.2	0.1	0.0	0.0	0.0	0.0	413
<u>Middle-Aged Owner-Occupants</u>								
Singles & Couples (35-54 Years no children)	0.0	0.1	0.2	0.1	0.0	0.0	0.0	637
Families (with children)	0.6	1.0	0.1	0.0	0.0	0.0	0.0	319
35-54 Years	0.1	0.3	0.0	0.0	0.0	0.0	0.0	365
<u>Empty-Nester Owners 55+ Years</u>								
Singles and Couples no children	0.0	0.5	0.7	0.3	0.3	0.1	0.0	660
<u>Total Owners</u>	0.9	2.9	1.3	0.4	0.4	0.1	0.0	433

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 15
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
URBAN ONTARIO, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person	
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+		Total**
<u>Young Owner-Occupants, Less Than 35 Years</u>									
Singles	0.0	0.7	3.5	3.4	8.4	1.7	0.6	18.2	1,095
Couples	0.1	9.9	35.0	8.6	2.8	0.3	0.1	56.7	631
Families (with children)	31.0	110.1	17.4	3.1	0.5	0.0	0.0	162.2	364
<u>Single-Parent Owner Families</u>	3.4	36.3	27.1	6.3	2.0	0.2	0.0	75.2	486
<u>Middle-Aged Owner-Occupants</u>									
Singles & Couples (35-54 Years no children)	0.1	10.7	37.6	14.5	15.3	3.3	1.4	82.8	704
Families (with children)									
35-54 Years	94.5	264.5	51.5	8.9	2.1	0.4	0.0	421.8	360
55+ Years	13.7	70.4	16.1	3.3	1.1	0.1	0.1	104.8	387
<u>Empty-Nester Owners 55+ Years</u>									
Singles and Couples no children	0.3	41.0	119.8	45.7	52.0	10.7	4.1	273.5	699
<u>Total Owners</u>	143.1	543.6	308.0	93.8	84.2	16.7	6.3	1,195.3	463

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

TABLE 16
UTILIZATION OF OWNER-OCCUPIED GRADE-RELATED HOUSING STOCK BY OWNER CHARACTERISTICS
ONTARIO, 1981 (000'S OF DWELLING UNITS)*

	Gross Floor Area/Person Ratio (Square Feet/Person)							Median Square Feet/ Person
	-249	250- 499	500- 749	750- 999	1,000- 1,499	1,500- 1,999	2,000+	
Young Owner-Occupants, Less Than 35 Years								
Singles	0.0	0.9	4.8	4.7	11.6	2.4	0.8	25.3
Couples	0.1	13.7	48.3	11.9	3.8	0.4	0.1	78.3
Families (with children)	46.5	165.2	26.0	4.6	0.7	0.0	0.0	243.2
Single-Parent Owner Families	4.6	49.6	37.1	8.6	2.7	0.2	0.0	102.7
Middle-Aged Owner-Occupants								
Singles & Couples (35-54 Years no children)	0.1	15.4	54.3	20.9	22.1	4.8	2.0	119.5
Families (with children)								
35-54 Years	131.2	367.2	71.5	12.3	2.9	0.6	0.0	585.7
55+ Years	19.1	98.0	22.5	4.5	1.5	0.1	0.1	145.9
Empty-Nester Owners 55+ Years								
Singles and Couples no children	0.4	64.2	187.3	71.4	81.3	16.7	6.4	427.7
Total Owners	202.0	774.2	451.8	138.9	126.6	25.2	9.4	1,728.3
								463

* Includes all owner-occupied single-detached, semi-detached and row dwellings except those occupied by multiple-family households.

** Totals may not add due to rounding.

Source: Estimates by Clayton Research Associates based on special tabulations from the 1981 Census of Canada and the Ministry of Revenue property assessment files.

APPENDIX B

**TABLES - CAPACITY FOR ADDITIONAL BUILDING IN EXISTING GRADE-RELATED STOCK
AND ON APARTMENT LAND**

City of Toronto

Source: City of Toronto Planning and Development Department adjusted

DESCRIPTION

These tables are based on a series of special tabulations prepared by the City of Toronto Planning and Development Department from their special computerized land use files. The data represents estimates of the amount of additional building which would be permitted in the existing dwelling stock under the current zoning regulations assuming that such building could be undertaken without encroaching on side-yard, set-back or other requirements.

The data in Tables 1 and 2 have been adjusted to reflect the 1981 Census of Canada estimate of the grade-related stock for the City of Toronto. This figure is about 10 percent higher than the estimated by the City of Toronto Planning and Development Department which is based on properties, not dwellings units. The adjustment was performed in order to make the estimates for the grade-related stock comparable to those presented elsewhere in the study.

A brief description of how the data was compiled follows:

- Table 1 presents estimates of the number of grade-related dwellings by type and zoning for which additional gross building area would be permitted under current zoning guidelines. These estimates are based on a calculation of the maximum gross floor area allowed for each lot under existing zoning:

- Z1: 0.35 times lot area;
- Z2: 0.6 times lot area;
- Z3: 1.0 times lot area;
- Z4: 2.0 times lot area; and
- Z5: 2.5 times lot area.

The existing gross floor area for each unit was subtracted from the calculated maximum allowed in order to arrive at the additional available building area for each unit.

- Table 2 presents similar information except that, in this case, the lot area covered by the dwelling is subtracted from the maximum lot area available to be built upon for each dwelling according to existing zoning. The minimum landscaped open space for each category is:

- Z1 to Z3: 30% of lot area;
- Z4 to Z5: 35% of lot area.

- Table 3 presents information on the number of apartment structure, which have excess lot area available to be built upon. The calculation was done in the same way as for the grade-related stock (Table 2). The figures for apartment structures in Table 3 cover only 75 percent of the stock of apartment buildings.

TABLE 1
GRADE-RELATED DWELLINGS WHERE CURRENT ZONING WOULD PERMIT ADDITIONAL BUILDING AREA
CITY OF TORONTO, 1982 (PROPERTIES)

Dwelling Type and Additional Building Area (Square Feet)	R1				R1A & R1P				R2, R3, R4 & R4A					Other	Total Stock
	R1	R1A	R1P	Total	R2	R3	R4	Total	R2	R3	R4	R4A	Total		
Single-Detached															
0 or less	2,852	686	0	3,538	192	2	0	194	0	5,407	274	0	5,681	783	10,196
1-299	1,115	653	0	1,768	419	1	0	420	0	6,199	301	0	6,491	0	8,679
300-599	806	1,161	0	1,967	364	2	0	366	0	6,287	405	0	6,692	0	9,025
600-899	558	1,459	0	2,017	550	2	0	552	0	4,597	470	0	5,067	0	7,636
900-1,199	368	1,078	0	1,446	343	5	0	348	0	3,123	477	1	3,601	0	5,395
1,200-1,499	232	670	0	902	224	8	0	233	0	1,375	427	3	1,805	0	2,939
1,500-1,799	160	412	0	572	220	6	0	227	0	674	338	1	1,013	0	1,812
1,800-2,099	96	244	0	340	141	11	0	152	0	353	265	0	618	0	1,110
2,100+	338	537	0	875	330	23	0	353	0	642	860	223	1,725	0	2,953
Total	6,525	6,900	0	13,425	2,783	61	0	2,844	0	26,648	3,817	228	32,693	783	49,745
Semi-Detached															
0 or less	94	116	0	209	210	2	0	254	0	17,938	1,526	2	19,466	1,877	21,807
1-299	8	82	0	90	338	2	0	341	0	11,602	1,691	1	13,294	0	13,724
300-599	2	36	0	38	234	9	0	243	0	4,086	2,063	1	6,150	0	6,431
600-899	0	29	0	29	121	11	0	132	0	1,606	1,511	5	3,122	0	3,283
900-1,199	1	11	0	12	43	16	0	59	0	576	1,091	2	1,669	0	1,741
1,200-1,499	0	10	0	10	32	3	0	35	0	234	573	3	810	0	855
1,500-1,799	1	3	0	4	16	7	0	23	0	68	329	4	401	0	428
1,800-2,099	0	5	0	5	9	2	0	11	0	32	160	12	204	0	220
2,100+	1	9	0	10	12	6	0	18	0	48	228	148	424	0	452
Total	107	301	0	408	1,057	58	0	1,115	0	36,190	9,172	178	45,540	1,877	48,940
Row															
0 or less	1	10	0	11	19	0	0	19	5	3,791	2,127	0	5,923	1,019	6,972
1-299	0	1	0	1	9	0	0	9	0	1,327	1,416	0	2,743	0	2,753
300-599	0	1	0	1	13	0	0	13	0	229	1,066	0	1,295	0	1,309
600-899	0	0	0	0	5	3	0	8	0	52	923	2	977	0	985
900-1,199	0	0	0	0	3	0	0	3	0	10	369	3	382	0	385
1,200-1,499	0	0	0	0	0	0	0	0	0	8	147	18	173	0	173
1,500-1,799	0	0	0	0	2	0	0	2	0	1	80	5	86	0	88
1,800-2,099	0	0	0	0	0	0	0	0	0	4	37	3	45	0	45
2,100+	0	1	0	1	6	0	0	6	0	10	83	10	103	0	110
Total	1	13	0	14	57	3	0	60	5	5,432	6,248	42	11,727	1,019	12,826
Total Single-Detached, Semi-Detached and Row															
0 or less	2,947	812	0	3,759	463	4	0	467	5	27,136	3,927	2	31,070	3,679	38,975
1-299	1,123	736	0	1,859	766	3	0	769	0	19,119	3,408	1	22,528	0	25,156
300-599	808	1,198	0	2,006	611	11	0	622	0	10,602	3,534	1	14,137	0	16,765
600-899	558	1,488	0	2,046	676	16	0	692	0	6,255	2,904	7	9,166	0	11,904
900-1,199	369	1,089	0	1,458	389	21	0	410	0	3,709	1,937	6	5,652	0	7,520
1,200-1,499	232	680	0	912	256	11	0	267	0	1,617	1,147	24	2,788	0	3,967
1,500-1,799	161	415	0	576	238	14	0	252	0	743	747	10	1,500	0	2,328
1,800-2,099	96	249	0	345	150	13	0	163	0	389	462	16	867	0	1,375
2,100+	339	547	0	886	348	29	0	377	0	700	1,171	381	2,252	0	3,515
Total	6,633	7,214	0	13,847	3,897	122	0	4,019	5	70,270	19,237	448	89,960	3,679	111,505

Source: Estimates by Clayton Research Associates based on special tabulations from the City of Toronto Planning and Development Department and the 1981 Census of Canada.

TABLE 2
GRADE-RELATED DWELLINGS WHERE CURRENT ZONING WOULD PERMIT ADDITIONAL LOT AREA TO BE BUILT UPON
CITY OF TORONTO, 1981 (DWELLING UNITS)

Dwelling Type and
Available Lot Area
(Square Feet)

	R1				R1A & R1P				R2, R3, R4 & R4A					Other	Total Stock
	Z1	Z2	Z3&Z4	Total	Z2	Z3	Z1&Z4	Total	Z1	Z2	Z3	Z4	Total		
Single-Detached															
0 or less	269	687	0	956	276	14	0	290	0	5,281	1,593	19	6,893	783	8,922
1-299	861	1,872	0	2,733	890	25	0	915	0	14,609	1,355	80	16,044	0	19,692
300-599	1,330	2,232	0	3,562	819	10	0	829	0	6,522	538	76	7,136	0	11,527
600-899	1,147	1,171	0	2,318	386	6	0	392	0	1,375	196	22	1,593	0	4,303
900-1,199	975	444	0	1,419	203	2	0	205	0	468	71	17	556	0	2,180
1,200-1,499	698	183	0	881	103	2	0	105	0	191	23	5	219	0	1,205
1,500-1,799	435	95	0	530	43	0	0	43	0	91	16	5	112	0	685
1,800-2,099	205	44	0	249	18	0	0	18	0	48	4	1	53	0	330
2,100+	605	172	0	777	45	2	0	47	0	63	21	3	87	0	911
Total	6,525	6,900	0	13,425	2,783	61	0	2,844	0	28,648	3,817	228	32,693	783	49,745
Semi-Detached															
0 or less	23	72	0	95	226	28	0	254	0	16,358	6,549	45	22,952	1,877	25,178
1-299	52	142	0	194	568	36	0	594	0	17,232	2,278	102	19,612	0	20,400
300-599	22	53	0	75	191	3	0	194	0	2,218	284	26	2,528	0	2,797
600-899	6	21	0	27	51	1	0	52	0	309	41	2	352	0	431
900-1,199	1	3	0	4	13	0	0	13	0	43	9	0	52	0	69
1,200-1,499	0	3	0	3	7	0	0	7	0	11	5	1	17	0	27
1,500-1,799	1	1	0	2	1	0	0	1	0	7	0	1	8	0	11
1,800-2,099	1	2	0	3	0	0	0	0	0	2	0	0	2	0	5
2,100+	1	4	0	5	0	0	0	0	0	10	6	1	17	0	22
Total	107	301	0	408	1,057	58	0	1,115	0	36,190	9,172	178	45,540	1,877	48,940
R2W															
0 or less	0	8	0	8	18	3	0	21	5	3,678	5,383	37	9,103	1,019	10,151
1-299	0	2	0	2	22	0	0	22	0	1,667	818	1	2,486	0	2,510
300-599	0	2	0	2	9	0	0	9	0	64	33	0	97	0	106
600-899	0	0	0	0	1	0	0	1	0	8	3	0	11	0	12
900-1,199	0	0	0	0	2	0	0	2	0	3	2	0	5	0	7
1,200-1,499	0	0	0	0	0	0	0	0	0	0	2	0	2	0	2
1,500-1,799	0	0	0	0	1	0	0	1	0	0	1	0	1	0	2
1,800-2,099	0	0	0	0	0	0	0	0	0	2	1	0	3	0	3
2,100+	1	1	0	2	4	0	0	4	0	10	5	4	19	0	25
Total	1	13	0	14	57	3	0	60	5	5,432	6,248	42	11,722	1,019	12,830
Total Single-Detached, Semi-Detached and R2W															
0 or less	292	767	0	1,059	520	45	0	565	5	25,317	13,525	101	38,948	3,679	44,251
1-299	913	2,016	0	2,929	1,480	51	0	1,531	0	33,500	4,451	183	38,142	0	42,602
300-599	1,352	2,287	0	3,639	1,019	13	0	1,032	0	8,804	855	102	9,761	0	14,432
600-899	1,153	1,192	0	2,345	438	7	0	445	0	1,692	240	24	1,956	0	4,746
900-1,199	976	447	0	1,423	218	2	0	220	0	514	82	17	613	0	2,256
1,200-1,499	698	186	0	884	110	2	0	112	0	202	30	6	238	0	1,234
1,500-1,799	436	96	0	532	45	0	0	45	0	98	17	6	121	0	690
1,800-2,099	206	46	0	252	18	0	0	18	0	52	5	1	58	0	328
2,100+	607	177	0	784	49	2	0	51	0	83	32	8	123	0	958
Total	6,633	7,214	0	13,847	3,897	122	0	4,019	5	70,270	19,237	448	89,960	3,679	111,505

Source: Estimates by Clayton Research Associates based on special tabulations from the City of Toronto Planning and Development Department and the 1981 Census of Canada.

TABLE 3
APARTMENT PROPERTIES WHERE CURRENT ZONING WOULD PERMIT
ADDITIONAL LOT AREA TO BE BUILT UPON, CITY OF TORONTO, 1982*

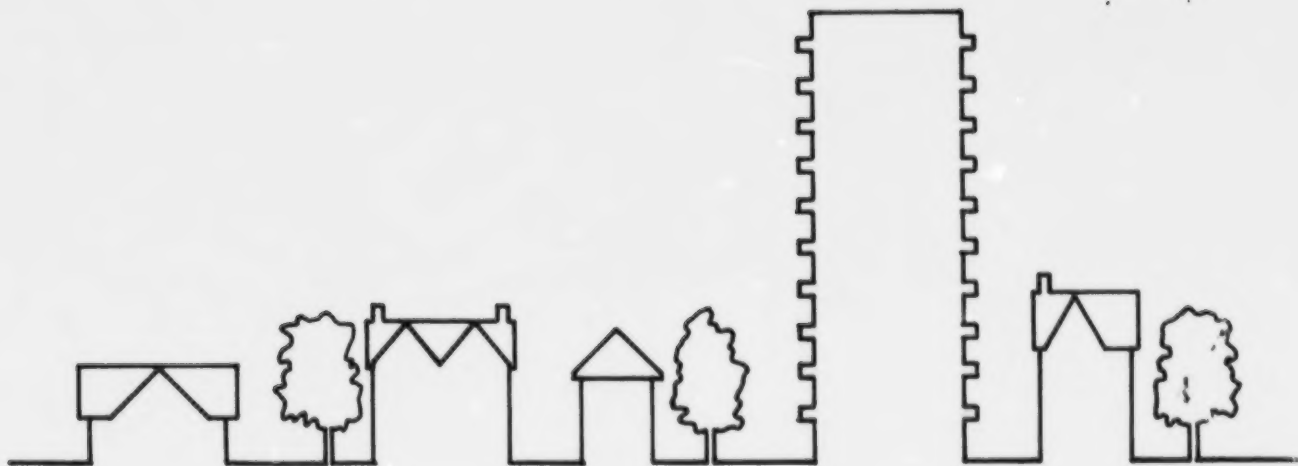
Available Lot Area (Square Feet)	21, 22 & 23	24 & 25	Total	Percent
	Minimum Landscaped Open Space-30 Percent Of Lot Area	Minimum Landscaped Open Space-35 Percent Of Lot Area		
0 or Less	489	328	717	66.0
1-999	64	31	95	8.7
1,000-1,999	33	23	56	5.2
2,000-2,999	17	19	36	3.3
3,000-3,999	10	10	20	1.8
4,000-4,999	10	5	15	1.4
5,000-5,999	3	5	8	0.7
6,000-6,999	7	8	15	1.4
7,000-7,999	2	11	13	1.2
8,000-8,999	5	0	5	0.5
9,000-9,999	3	6	9	0.8
10,000-14,999	44	34	78	7.2
15,000-29,999	0	0	0	0.0
30,000+	14	6	20	1.8
Total	701	386	1,087	100.0

* This tabulation covers only 1,087 structures out of a total stock of 1,445 apartment structures; of the remainder, 38 structures had incomplete information and the remainder had commercial zoning for which the calculation for the tabulation could not be readily completed.

Source: Special tabulations prepared by City of Toronto Planning and Development Department.

Number/ Numéro

2



STUDY OF RESIDENTIAL INTENSIFICATION AND RENTAL HOUSING CONSERVATION

PART 3 : RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

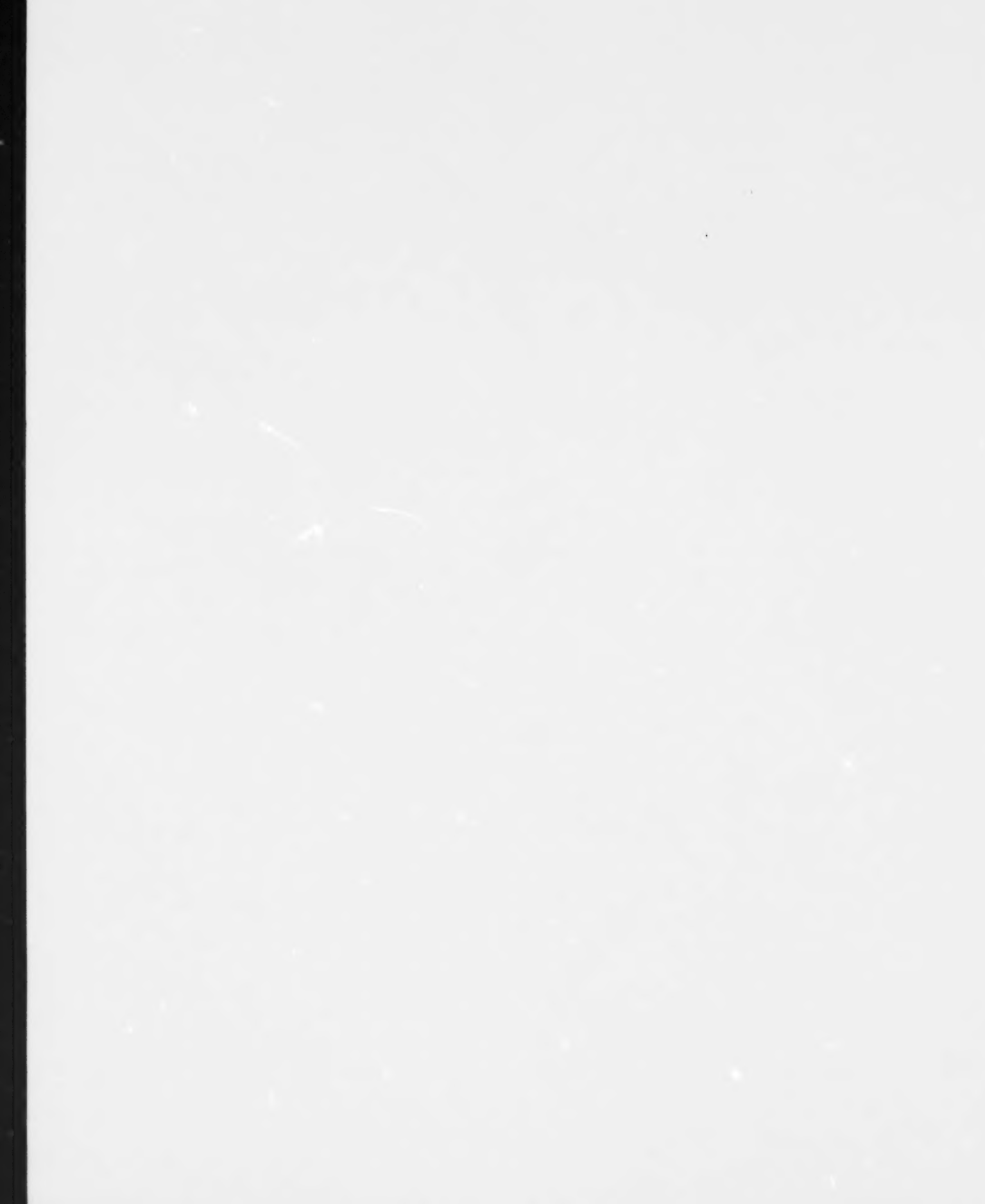
3.2: ECONOMIC ISSUES

PREPARED FOR
THE ONTARIO MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING
AND THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

BY
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VOLUME 4



NOTE:

This is a consultants' report. Any statements or opinions expressed herein are those of the writers or of persons quoted and, unless otherwise noted, are not necessarily endorsed by the Ministry of Municipal Affairs & Housing, Government of Ontario, or the Association of Municipalities of Ontario.

FOREWORD

This study was commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. Funding for the study was provided by the Ontario Ministry of Municipal Affairs and Housing through the Housing Renovation and Energy Conservation Unit of the Community Housing Wing. The Ministry's chief representative on the study was Mr. George Przybylowski of the Housing Renovation and Energy Conservation Unit. In this capacity, Mr. Przybylowski was the prime client contact throughout the study process and the consultants wish to express their gratitude to him for his considerable personal commitment to this study and the many creative and useful suggestions he made during the course of the investigations.

The findings, conclusions and recommendations contained in the various volumes of the study report are those of the consultants as are any factual errors they may contain. The report does not constitute Ontario Government or A.M.O. policy but is a report to these two organizations for their consideration.

Peter G. McInnis
Study Director

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GENERAL INTRODUCTION

This document forms one volume of an eleven volume study report commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario (A.M.O.) in July, 1982. The prime objectives of the study were:

1. To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods.
2. To examine some of the major forces at work that have and could threaten the conservation of the existing stock of rental housing and the tenants that occupy this stock.

These objectives were formulated in response to concerns on the part of the Ministry and A.M.O. regarding recent and emerging trends in housing and urban development and population growth and change in Ontario.

It is safe to assume that there will continue to be a demand for more rental and ownership housing units in Ontario during the 1980's and 1990's due to both an absolute increase in population and an increase in the number of households. However, there is growing evidence that this demand could be different in nature than during the last decade. While demand will continue to be focused in urban areas, there will likely be increasing pressure for inner city housing particularly in the larger urban centres such as Toronto, Ottawa and Hamilton. Also, households are getting smaller and older; and more people are beginning to accept the prospect of never being able to afford to own a home. These trends suggest that there will be an increasing demand for smaller dwellings. While consumer preference information may not support this, the general state of the economy and the future affordability of housing may dictate these demands.

The Government of Ontario and the Association of Municipalities of Ontario are concerned about how these additional and somewhat different housing needs of the 80's and 90's will be met, particularly in light of the downturn in the construction of new private rental housing; the economic prospects for the 80's and 90's and the likely restraints on public expenditures related to new facilities and services and socially assisted housing; and the increasing difficulty of providing new housing through large scale redevelopment and/or a further expansion outwards of Ontario's urban fabric.

There are two major approaches to creating additional housing: 1) building new and 2) making more efficient (intensive) use of the housing stock that currently exists. This study is aimed primarily at the latter and specifically at the potential for meeting some of the future housing needs in

the Province through the conversion of the existing stock of some 1,200,000 grade-related owner occupied dwellings in the Province. The extent to which this study is concerned with new housing was limited to the opportunities that might exist for small scale residential infill in residential neighbourhoods.

In addition to being concerned about meeting additional housing needs, the Ministry and A.M.O. were concerned about conserving the existing rental stock in a safe and livable condition for at least the same number of households as it currently accommodates. While this aging/conservation issue is by no means a new one, the nature of the issue will likely be quite different in the future. Until the late 1950's, the vast majority of housing in the Province was grade-related and owner occupied, and the conservation of these types of dwellings usually happened as a matter of course without much concern or assistance on the part of governments. In the last 30 years, however, the housing stock profile has changed dramatically with the advent of the high-rise apartment building. Rental apartments in multiple unit buildings form a much larger proportion of the stock than ever before. Approximately two-thirds of the over one million rental housing units in Ontario are located in high-rise or low-rise/walk-up multiple unit apartment buildings. Forty percent or 434,000 of the total rental units are in high-rise buildings. The conservation of the apartment rental stock has never been a serious issue in the past because of the relative newness of this stock. However, as these buildings age during the 80's and 90's (many are already 20 years old), serious attention will have to be given to the efforts that will be required to maintain these units in a safe and livable condition and within the economic reach of a large majority of the population. Therefore, the second objective of this study was in part, to examine the type of building repairs and improvements (and their associated costs) that will be required to conserve the Province's stock of some 434,000 high-rise rental apartments over the next 20 years.

A second rental housing conservation concern of the Ministry and A.M.O. had to do with the perceived loss of low-income rental accommodation that has traditionally been available in the form of rooms and apartments in grade-related dwellings in older neighbourhoods. Specifically, the study was to examine the extent of the loss of this type of housing due to demolition and deconversion resulting from the gentrification of these dwellings and the impact these losses have had on tenants.

The investigations were carried out by a series of five individual consultants working under the direction of a sixth consultant retained to coordinate and direct the study investigations. The work of each consultant was monitored and reviewed by a core study group made up of the five consultants, the study director and representatives of MOMAH and AMO.

Core Study Group

Study Director: Peter McInnis
Klein & Sears Research and Planning Limited

Consultants: Michael Adams
Environics Research Group

Jack Klein
Klein & Sears, Architects

Greg Lampert
Clayton Research Associates

Frank Lewinberg
Lewinberg Consultants

Peter Milligan
Walker, Poole, Milligan

Ministry
Representatives Sue Corke
Gary McAllister
George Przybylowski

A.M.O.
Representatives: Mayor W. McLean Town of Ajax

Gwyn Simmons City of Ottawa Non-Profit Housing
Corporation

Special Assistant
To Core Group: Betty Kaser

While the consultants' work on this study began formally at the beginning of July, 1982, some considerable effort was spent in advance of this start-up by a steering committee of Ministry and AMO representatives in developing terms of reference and a work plan with the Study Director that reflected the findings of an extensive and detailed review of the literature pertaining to the issues in question. This literature review was carried out by David Hulchanski for the Ministry during April and May of 1982 and has been published under separate cover. The prime purpose of this review was to identify the extent to which the issues in question had already been considered and the findings and conclusions that had been reached in order that the consultants' work could be focussed on those issues about which there is limited knowledge or understanding. Also, this review provided a valuable basis for establishing certain propositions to be tested in the study.

The investigations, particularly those relating to Objective #1, were carried out on a case study area basis in the municipalities of Toronto, North York, Hamilton, Kingston, Woodstock and Ottawa with special input from municipal officials in Thunder Bay. These municipalities were selected to reflect the fact that many of the issues under investigation were more associated with larger urban areas as well as to provide, at the same time, a range of sizes of municipalities for comparative purposes.

The overall study report is organized into 11 separate volumes. These 11 volumes follow the 5 part organization of the findings, conclusions and recommendations of the study investigations as indicated below:

PART #	TITLE (Prime Consultants)	VOLUME #
1	Summary of Findings And Recommendations (Klein & Sears)	1
2	Economic And Demographic Trends for the 80's and 90's (Clayton Research Associates)	2
3	Residential Intensification And Future Housing Needs	
3.1	Physical Potential (Clayton Research Associates)	3
3.2	Economic Issues (Klein & Sears and Clayton Research Associates)	4
3.3	The Supply Process (Environics Research Group and Clayton Research Associates)	5
3.4	Tenant Demand (Environics Research Group)	6
3.5	Neighbourhood Impact And Resistance (Environics Research Group and Lewinberg Consultants)	7
3.6	Municipal And Provincial Policies And Regulations (Walker, Poole, Milligan)	8
4	Conserving The Existing Rental Housing Stock	
4.1	Recent Rental Stock Losses and the Impact of Deconversion (Clayton Research Associates and Lewinberg Consultants)	9

4.2	Future Conservation Requirements And Costs for High-Rise Apartments and the Possible Impact on Rents and Tenants (Klein & Sears and Clayton Research Associates)	10
5	Data Sources And Problems (Clayton Research Associates)	11

This particular volume (Volume #4) of the study report was prepared by two different consultants. Mr. Jack Klein of Klein & Sears was responsible for the first part of this volume, dealing with the financial feasibility of conversion and infill housing. Mr. Frank Clayton of Clayton Research Associates prepared the second part of this volume dealing with the economics of conversion and infill from the point of view of the municipality.

INTRODUCTION TO PART 3

This part of the study deals with Objective #1

"To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods"

"Residential Intensification" as used in this study means increasing the number of households accommodated in existing buildings and/or on existing serviced land in already built-up parts of urban areas through conversion of existing structures and through additions to existing structures and the building of new structures on vacant or near vacant land. Intensification as used in this study is achieved with little or no demolition of existing buildings.

The interest in intensification reflects emerging housing market trends, changing urban population profiles and the economics of new housing construction, in particular new private rental apartments. In addition, the interest in intensification as a means of meeting some of the future housing needs in Ontario stems from a number of factors not the least of which is the economic restraint under which governments at all levels now find themselves operating and the prospect of similar conditions prevailing over the next several years. These restraint conditions have caused some governments to cut back on or freeze spending on new facilities and services and seriously assess the efficiency with which existing facilities are used. The argument in support of intensification to provide additional housing is, in part, due to these economic restraints and the potential that may exist for increasing the number of households being served by the existing urban infrastructure.

This study defined 7 basic forms or models of conversion and infill that meet the above definition of intensification:

- 1) changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)
- 2) changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.);
- 3) building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units;
- 4) building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development);

- 5) building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building);
- 6) converting existing obsolete non-residential space to residential use (e.g. over stores along arterials); and
- 7) building new multiple residential units on vacant or near vacant sites in commercial areas (e.g. mixed-use projects in core areas).

While Models #6 and #7 are critical forms of intensification, the opportunities and constraints related to these models are well researched and documented. In fact, in the past few years the Ministry itself has conducted two investigations into the potential for residential and mixed commercial and residential infill development in the core areas of Ontario municipalities. This study concerned itself solely with investigating conversion and infill potential in existing residential neighbourhoods because of the paucity of good information that exists on the subject. In particular, emphasis was placed on the conversion models and their potential application to the 1.2 million grade-related owner occupied dwellings in Ontario urban centres of more than 10,000 people.

Models #2-5 are graphically illustrated in Figures 1-6 on the following pages. These figures provide just a few examples of the multitude of different physical forms the various types of intensification could take.

The examination of the opportunities and constraints associated with the creation of additional housing by means of the 5 models is examined in terms of:

- the physical potential of intensification vis-a-vis such issues as the convertability of various house forms, current intensity of use and the opportunities for infilling around or adding to existing dwellings;
- the economics of intensification in respect to the costs of creating new accommodation and rents required to pay for this accommodation as well as the economic impact of intensification on municipalities;
- the supply process or who could and would undertake various forms of intensification and the motivations for doing so as well as the capability and attitudes of the construction industry and lenders to facilitate intensification activities;
- the market demand for various types of accommodation that could result from intensification among various segments of the tenant market;
- community and neighbourhood impact and resistance that may occur as a result of or in anticipation of increased intensification activities in the various types of neighbourhoods that are traditionally found in the urban fabric of Ontario municipalities;
- government policies and regulations and in particular, municipal official plans and zoning by-laws.

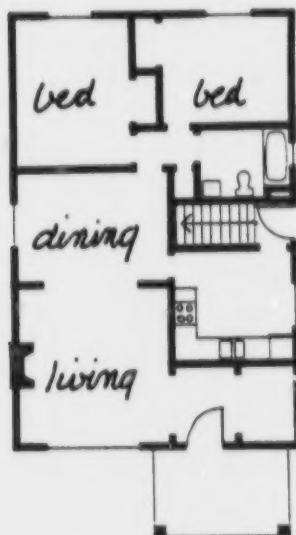
FIGURE 1 - Model 2

BUNGALOW CONVERSION

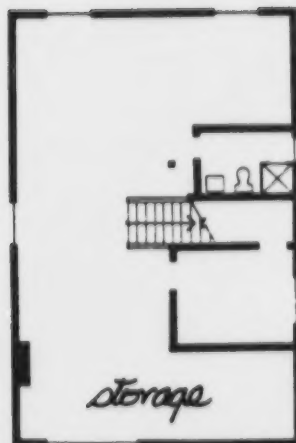
- a self contained one bedroom unit is provided in addition to the existing ground floor unit
- existing basement stairs are located adjacent to the back entrance facilitating conversion
- window wells or excavation to create a sunken patio can increase natural light for a basement apartment
- if the basement is already finished and/or a bathroom is in place, the conversion is likely to be less costly



BEFORE

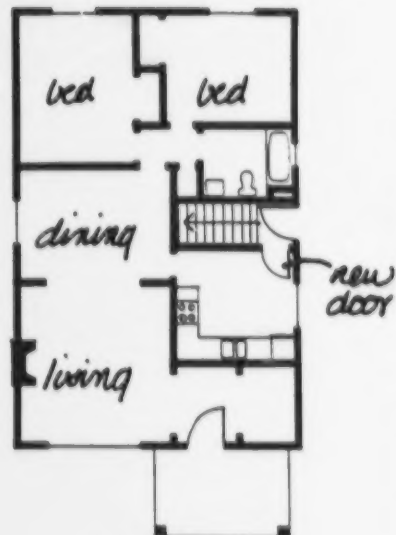


1ST FLOOR

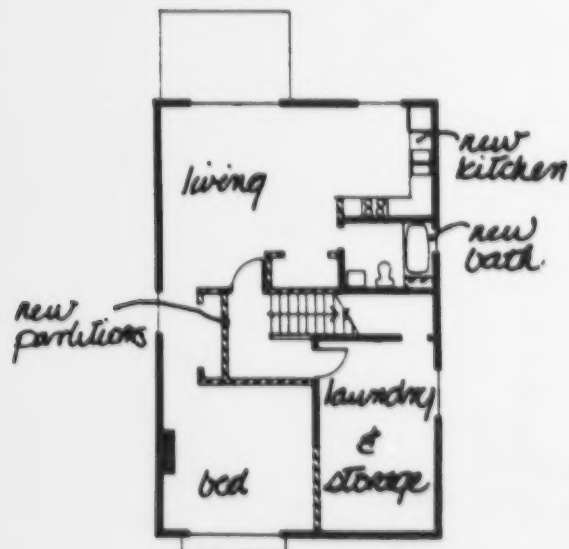


BASEMENT

AFTER



1ST FLOOR



BASEMENT

FIGURE 2 – Model 2

CONVERSION OF A THREE STOREY SEMI-DETACHED HOUSE

- the house is converted to provide a one bedroom unit on the ground floor and basement and a two bedroom unit on the second and third floors
- stairs and entrances are generally found on the party wall of semi-detached homes. This plan form lends itself readily to natural hall circulation
- decks can be added to second or third floors to provide additional space
- a larger house such as this provides more options for conversion. The house could be converted in a number of ways including three or four self-contained units, one on each floor or leaving the existing basement and converting to provide a bachelor apartment on one floor and a two bedroom apartment on the remaining floors



BEFORE



3RD FLOOR

AFTER



3RD FLOOR



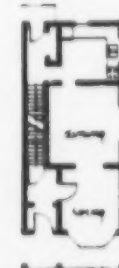
2ND FLOOR



2ND FLOOR



GROUND



GROUND



BASEMENT

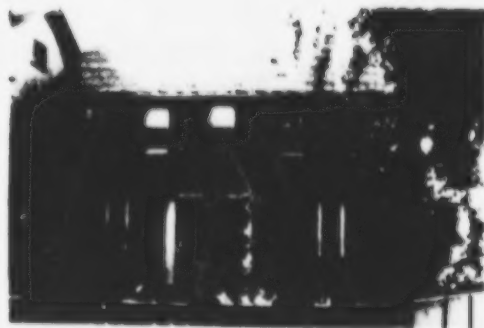


BASEMENT

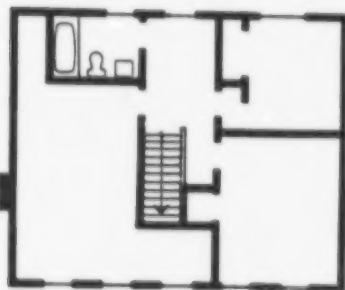
FIGURE 3 - Model 2

CONVERSION OF A TWO STOREY DETACHED HOUSE

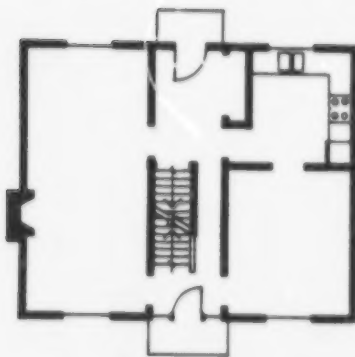
- the house is converted to provide a one bedroom unit on the ground floor and a one bedroom unit on the second floor
- the centre hall plan of this house is not as easily adaptable as the side hall plan of the previous illustration. The resulting circulation pattern within the units tends to be from room to room rather than off a hall



BEFORE



2ND FLOOR

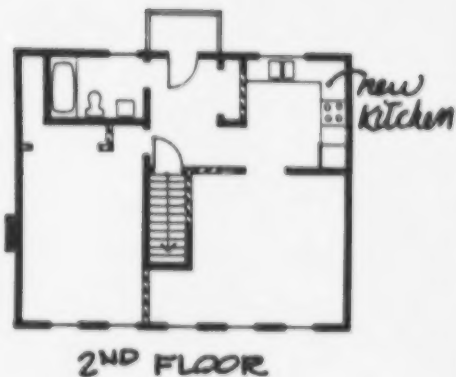


GROUND

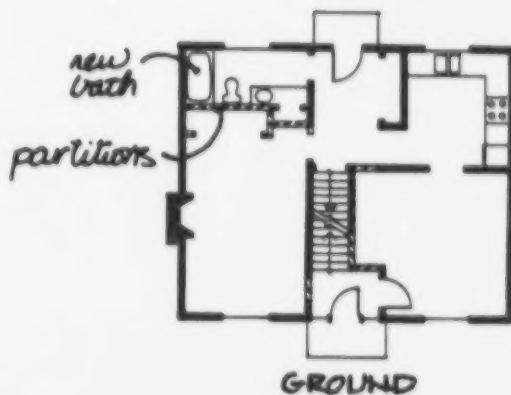


BASEMENT

AFTER



2ND FLOOR



GROUND

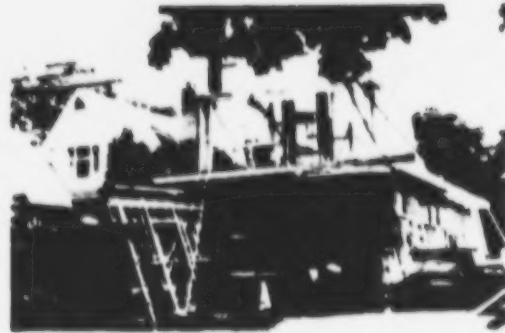


BASEMENT

FIGURE 4 – Model 3

VERTICAL ADDITION

- a second storey is added to an existing bungalow to provide a second self-contained dwelling unit
- as the ceiling of the ground floor unit is exposed during construction, timing and weather are important concerns in planning for this type of addition



HORIZONTAL ADDITION

- an existing garage is converted to residential space and provides a bachelor unit
- garages frequently have an existing back door and windows which can be incorporated in the conversion
- if the plumbing in the existing house is on the side of the house adjacent to the garage, the addition is likely to be less costly
- as this unit is grade related and provides access without stairs, it is particularly appropriate for a "granny unit"



FIGURE 5 - Model 4

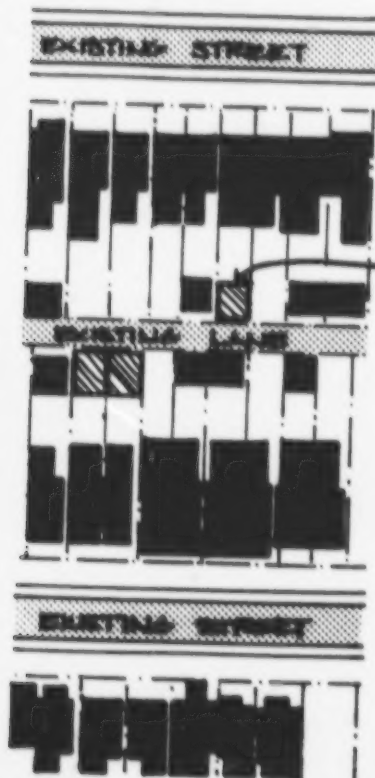
BACK LOT INFILL

- new housing units are built at the back of the lots on which there are existing houses
- access is from a back lane in one example and from the street using the side driveway in the other
- the length of the lot and the location of the house on the lot are critical factors. Generally urban land use patterns will accommodate this type of infill more readily than suburban land use patterns where the house is typically situated close to the centre of the lot
- the new housing could provide more than one unit or larger units by building more than one floor

BACK LANE ACCESS



SIDE DRIVE ACCESS



INFILL

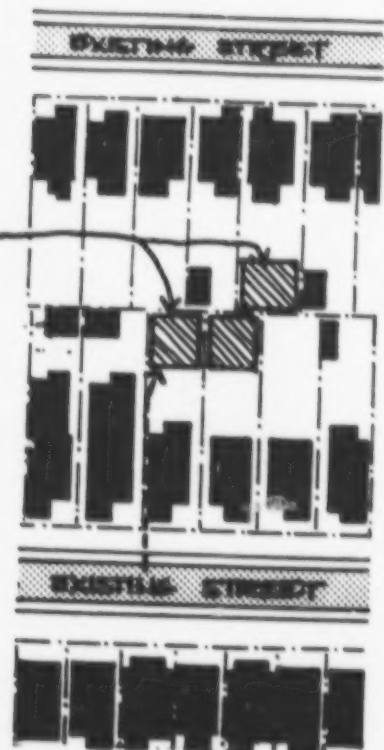
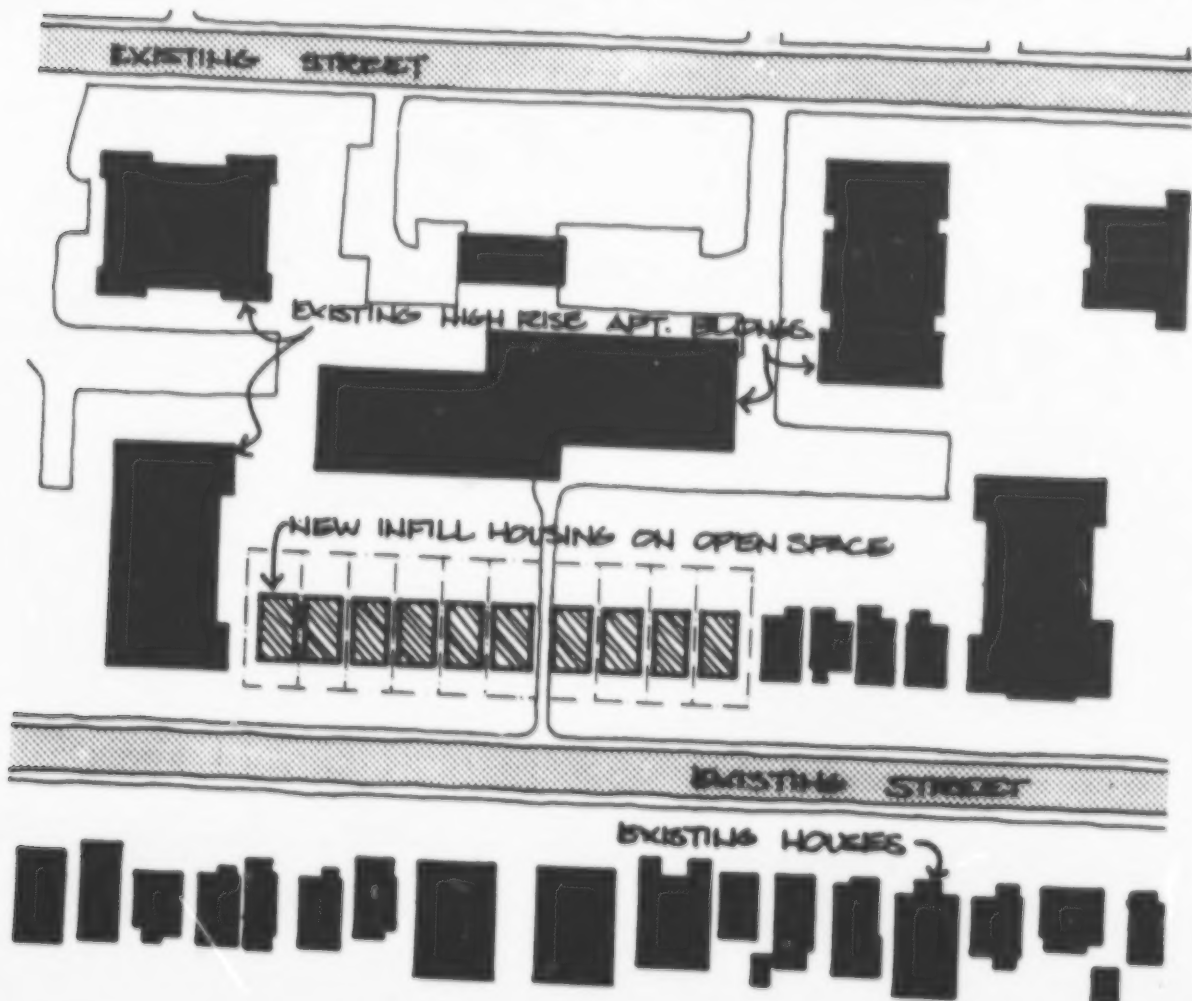


FIGURE 6 - Model 5

INFILL ON APARTMENT GROUNDS

- a number of single family houses are shown as infill in the landscaped open space of a high rise apartment building. The new housing could also take the form of semi-detached housing, row housing or low rise apartment structures
- the housing type could be selected to be consistent with the surrounding neighbourhood
- existing underground garages for the high rise apartment buildings often have surplus spaces which could be used for the new infill housing



PART 3.2.1:
THE ECONOMICS OF INTENSIFICATION ACTIVITIES

Prepared by:
Klein & Sears, Architects

2. 3.2.1 THE ECONOMICS OF INTENSIFICATION ACTIVITIES

1.0 INTRODUCTION

This part of the study addresses the issues of what the costs would be of creating additional rental accommodation through the five different intensification models and whether or not these costs could produce rents which are competitive in price with comparable existing or new housing. In other words, do infill and conversion make economic sense as ways to create affordable housing, and under what conditions do these approaches work?

Most economic feasibility analyses of new private sector housing opportunities focus either on what the break-even rents would be and whether these rents (or purchase prices) would be competitive in the existing market place, or they estimate returns on investment assuming competitive market rents/prices. Such approaches are valid insofar as the intensification models are concerned if one were to assume that all such activity were to be undertaken by private real estate developers/investors. However, unlike other forms of housing creation, residential intensification, as defined in this study, can and would very likely be undertaken by individual homeowners. In fact, the individual homeowner will probably have to be relied on to a large extent if the physical potential that exists for creating new rental units through intensification Models #1 - #3 is to be realized. This is not to suggest that housing entrepreneurs will not get involved in the types of intensification activity under discussion, but those that do are more than likely to be single investor entrepreneurs and small development companies.

The motivations of homeowners to undertake these activities, while basically financial in nature, differ substantially from those of the investor. The homeowners or prospective homeowners would undertake a conversion primarily in order to be able to afford to buy or continue to own their own home. An investor, on the other hand, is concerned with maximizing the return on monies that he or she has to invest and will be comparing intensification opportunities with other investment possibilities. For this reason, the economics of intensification must be examined from two different perspectives.

In examining the economics of Models #1 - #5 from the standpoint of an investor, we developed a very simple pro forma model that examines the break-even rents that might result under varying assumptions concerning initial acquisition costs and a number of constants including amount of equity, return on equity, construction costs, interest rates and operating costs. The structure of the model is explained in the following section as are the assumptions concerning the variables noted above.

Our examination of the economics of intensification from the standpoint of individual homeowners is dealt with in the following sections in a less formal way than the investor. Using the basic principles and assumptions of the investor model, the economic implications of intensification to the homeowner

are dealt with through discussion of specific examples of typical homeowner situations. These discussions are limited to Models #1-#3 since in our view, the likelihood of a homeowner undertaking the type of intensification activity implied in Models #4 and #5 is limited.

It is important to point out that the economic analysis presented in this part of the report is not based on real or actual case study situations, but rather on very general and hypothetical situations. They are meant to be illustrative only and under different assumptions concerning such things as equity, could produce vastly different break-even rents.

2.0 THE ECONOMIC MODEL

The model or framework that has been used to assess the economics of the five different intensification models for the non-resident investor/entrepreneur was developed to provide a simplified method of organizing information which allows various decision-makers and officials to review the variables that determine the monthly costs of each unit created and, thereby, the "break-even" rents required to pay for these costs. The model divides costs into three categories - Creation Costs, Financing Costs and Operating Costs. The assumptions regarding each of these categories of costs are outlined below.

The variables which are most significant in terms of costs for the new homeowner or investor wishing to undertake the five forms of intensification are interest rates, acquisition costs and construction costs. Of these, interest rates are both the most changeable and most significant. While construction costs are relatively predictable, interest rates have fluctuated greatly over the last few years and changes in rates can be dramatic in their effect.

Interest rates are less of an issue for the existing homeowner who wishes to undertake infill or conversion. In situations where the residence is substantially paid for, the funds which need to be borrowed and financed at current rates, are limited mainly to funds required for construction.

One caution with respect to the application of this model is necessary. The model is intended to assist in judging a particular hypothetical project on its own merits. It does not take into consideration other factors such as the effect of depreciation allowances, the possibility of tax deferrals or the effect of this project on an investor's larger portfolio.

Creation Costs

The model divides creation costs into four categories:

- Acquisition Costs include the purchase price or cost of acquiring the property which is to be altered and/or added to. Models #1 - #4 all deal with altering and/or adding to a hypothetical 1,800 square foot, single family dwelling. In order for the model to have applicability to the full range of market conditions between and within the six case study area municipalities, four different acquisition costs were established for this hypothetical dwelling - \$50,000., \$100,000., \$150,000. and \$200,000. Acquisition costs are not applicable in the Model #5 situation.
- Construction/Alteration Costs include the costs of purchasing the material and labour to carry out the physical construction or alteration work. Construction costs vary from region to region, and without a precise definition of the actual work to be carried out, these costs have been estimated to reflect average costs for the type of construction work

involved. Small projects tend to be higher in cost on a per unit basis than do large projects and for this reason the costs per square foot for new construction vary between Models #3, #4 and #5. Where construction costs cannot be evaluated on a per square foot basis, gross estimates were taken based on experience with similar construction or alterations, (e.g. Model #2).

- . Soft Costs include all those other non-construction costs encountered when constructing or altering a building. These include costs for permits, legal charges, architects or engineers fees, the cost of borrowing money during construction, etc. Soft costs are assumed to be 30% of construction costs for all new construction and 15% of alteration costs for the renovation of existing buildings.
- . Holding Costs generally refer to the financing costs related to the original property that was acquired for the period of construction or alteration during which the property is vacant. As noted, Models #1 and #5 have no holding costs by definition. The holding periods and, thereby, the holding costs for Models #2 - #4 vary due to the nature of the construction and/alteration being carried out.

Financing Costs

The model assumes that the investor's equity in the project is 25% of Creation Costs and that the balance of the Creation Costs are financed with an interest only mortgage at 12%. An "interest only" mortgage is assumed for convenience of calculation. In all likelihood, many investors would arrange conventional mortgages with principal and interest payments based on a 25 year amortization. However, the impact on break-even rents of principal payments in this case would be nominal given that in the first year of such a mortgage, the principal payments would only add approximately 60¢ per \$1,000. of the mortgage value per month to the overall costs. For example, on a \$75,000. mortgage against a newly created duplex, the principal payments per month would add \$22.50 to the break-even rents for each apartment.

Operating Costs

All the models have three categories of costs under this heading - Property Taxes, Maintenance/Upkeep and Insurance - while some models also have a fourth category - Heating and Utilities.

- . Property Taxes are estimated at 1% of Creation Costs. Obviously property taxes will not follow such a simple formula throughout the Province given the tremendous number of possible variables that could impact on the assessment and mill rates used to calculate the taxes.
- . Maintenance/Upkeep includes a variety of things that a landlord/owner has to do to keep a building in a livable and marketable condition (e.g. painting, plumbing and heating service and repairs, yard upkeep, etc.). We have arbitrarily set an amount of 25¢ per square foot per year for older

dwellings and 10¢ per square foot for new construction to cover these costs. This constant has been established with the understanding that Maintenance/Upkeep costs will not obviously follow such a simple ratio and can vary widely depending on the original condition of the property acquired, the quality of construction and alteration work, the type of tenants and many other factors which are impossible to allow for in our hypothetical models.

- Insurance, like Maintenance/Upkeep, is highly variable depending on location, age, quality and type of structure, occupancy, etc. We have assumed a cost of 35¢ per \$100. of building value in all models, knowing that a rooming house with common cooking facilities in a 50 year old house will be more expensive to insure and a new single family rowhouse will be less. In calculating building value, we have assumed, in all cases, 75% of original acquisition cost plus all new construction and alteration costs.
- Heating and Utilities are only included in the costs associated with Models #1, #2 and #3, where they would be common expenses for all the units because individual metering systems are not provided for.

3.0 MODEL #1 ANALYSIS

"Changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)"

As the above definition implies, this type of activity could be undertaken both by an individual homeowner or a non-resident investor landlord. There is really no need to examine in any detail the economics of a homeowner undertaking to rent out one or more rooms in his or her house. The added costs of doing so are nominal and the rent received, forgetting the tax implications, would help to reduce the housing costs of that homeowner by whatever amount is received. However, the advantages to homeowners, particularly those who may be having difficulty in paying for the costs of carrying and operating their house, should not be underestimated. For example, a senior citizen living in his or her own mortgage free home in Toronto on a fixed income of \$800. per month before taxes and paying approximately \$250. per month on heat, hydro, water and sewer, taxes, insurance and maintenance/upkeep could conceivably pay for these costs completely through the income received by renting out an unused bedroom. The income received in this way could make the difference between that person being able to stay in their home or being forced to sell it and use the equity to live on in rental accommodation.

The following pro forma (see Figure 1) examines the economics of a rooming house from the point of view of an investor. The analysis looks at the break-even monthly rents per room that would be required to pay for the costs of buying an 1,800 square foot dwelling and operating it as a 6 room rooming house. As Figure 1 indicates, the break-even monthly rents per room (including heat and utilities) under these assumptions would be \$115., \$204., \$292. and \$380. respectively for purchase prices of \$50,000., \$100,000., \$150,000. and \$200,000. The \$115. (\$27. weekly) rent for a room would seem to be a reasonable rent almost anywhere in the Province where one could purchase such a dwelling for \$50,000. Perhaps even the \$205. (\$47. weekly) may be reasonable in Toronto (and perhaps other large centres) given that the average monthly rent for a bachelor apartment in the Toronto market is close to \$300. Obviously, single family dwellings at the high end of the market could not be feasibly purchased and turned into a rooming house by an investor.

FIGURE 1: MODEL #1 BY NON-RESIDENT INVESTOR TO ACCOMMODATE 6 INDIVIDUALS

CREATION COSTS

1. Acquisition Costs	50,000.	100,000.	150,000.	200,000.
2. Alteration Costs	---	---	---	---
3. Soft Costs	---	---	---	---
4. Holding Costs	---	---	---	---
	-----	-----	-----	-----
Total Creation Costs	50,000.	100,000.	150,000.	200,000.

Equity Position (25% of Creation Costs)	12,500.	25,000.	37,500.	50,000.
	-----	-----	-----	-----

Remaining Costs to Finance	37,500.	75,000.	112,500.	150,000.
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FINANCING COSTS

1. Return on Equity (10%)	1,250.	2,500.	3,750.	5,000.
2. Remaining Costs @ 12% (interest only)	4,500.	9,000.	13,500.	18,000.
	-----	-----	-----	-----

Total Financing Costs	5,750.	11,500.	17,250.	23,000.
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OPERATING COSTS

1. Taxes	500.	1,000.	1,500.	2,000.
2. Insurance	110.	220.	330.	440.
3. Maintenance/Upkeep	450.	450.	450.	450.
4. Heat and Utilities	1,500.	1,500.	1,500.	1,500.
	-----	-----	-----	-----

Total Operating Costs	2,560.	3,170.	3,780.	4,390.
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TOTAL ANNUAL COSTS	8,310.	14,670.	21,030.	27,390.
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TOTAL ANNUAL COSTS PER ROOM	1,385.	2,445.	3,505.	4,565.
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BREAK-EVEN MONTHLY RENTS PER ROOM	115.	204.	292.	380.
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(APPROXIMATE WEEKLY)	(27.)	(47.)	(68.)	(88.)
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4.0 MODEL #2 ANALYSIS

"Changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.)."

This type of intensification activity could be undertaken by either a non-resident investor or by an owner-occupant.

Figure 2 analyzes the economics for an investor of buying an existing 1,800 square foot single family dwelling and converting it into two (approximately equal sized) self-contained apartments. Construction costs are estimated at \$15,000. to cover the installation of a second kitchen, a second bathroom, and the separation of units. Soft costs are assumed at 15% of construction costs as no new construction is required.

Our analysis of the economics of converting an 1,800 square foot house into 2 self-contained apartments does not show break-even rents, which compare favourably with the average rents for a conventional 2 bedroom apartment in most of the case study municipalities, which, at the end of 1982, ranged from a high of \$447. in Toronto to a low of \$310. in Woodstock. On the other hand, we would point out that these economics could change dramatically with a decline in interest rates of only 2% and/or a lower ratio mortgage. For example, the \$453. and \$730. per unit per month rents received to pay for a \$50,000. house and a \$100,000. house converted to 2 apartments with a 75% mortgage at 12%, decrease to \$390. and \$600. per month with a 60% mortgage at 10% interest (assuming a return on the 40% equity of 8%). Another factor to keep in mind is that the rents noted above include utilities such as hydro, as well as parking, which are not included in published statistics on average apartment rents.

While we have made the comparison above between conventional apartment building accommodation and an apartment in a single-family type grade related dwelling, such a comparison is somewhat spurious in that the amenities and features of the two types of accommodation are quite different as are the life style images they prevoke.

Also, it is interesting and important to consider the break-even rents indicated in Figure 2 in relation to the break-even monthly rents required to pay for the costs of building and operating a new apartment unit in a multiple unit building. Using the same assumptions regarding equity and interest rates as in Figure 2 and assuming an average land cost per unit of \$5,000. - \$10,000., the break-even rent required to pay for the construction and operation of a new private sector, no frills, two bedroom apartment in Ontario would be in the range of 900. - 1,000. per month excluding utilities and parking. Parking charges and utilities could increase this range by \$50.+ per month. When one compares the rents noted in Figure 2 with these types of rents, the virtue of "conversion" as a means of creating additional rental housing takes on a different perspective.

It is important to point out that, forgetting tax implications for the moment, the analysis presented above, while oriented towards the investor, is also generally applicable to a prospective homeowner who intends to occupy one of the two units created. The owner-occupant may decide to subdivide the dwelling in a different manner than we have assumed in order to gain more space for his or her personal use and be prepared to accept a lower rental income for the second unit.

Since the motivation of prospective homeowners to undertake such a conversion would be to allow them to stay in or to buy and carry a house that they would not otherwise be able to afford, the important aspect of the economics of Model #2 is the marginal difference in cost between buying and carrying the single family dwelling with and without the rental income.

To illustrate the issue of marginal cost differences more explicitly, let us consider Couple X of Toronto who wish to buy their first home. Both are in their late 20's and both are employed full-time earning a combined income of \$35,000. per year. They have managed between them to save approximately \$25,000. as a down payment on a house. Based on their joint income they know that they can afford to spend up to \$875. per month (30% of gross income) on housing costs (i.e. mortgage interest, taxes, insurance and heat). The house that they would like to buy is priced at \$100,000. and with an interest only mortgage at 12% it will cost them approximately \$980. per month to carry and operate. Obviously this is more than they are prepared or able to spend. They realize that this 1,800 square foot house is larger than they need at the present time but they do want to own their own home. In examining the market opportunities of finding a house which they can afford to buy and occupy entirely, they find that in order to meet locational and other criteria, their options are limited. Therefore, they decide to buy the house and borrow the additional money required to convert part of it into a self-contained rental apartment. These added costs of conversion, as noted in Figure 2, amount to \$22,500. (including alteration costs, soft costs and holding costs) for which they are able to acquire a second mortgage at 13% interest adding an additional \$243. per month to the \$980. per month costs noted above for a total cost of \$1,230. per month. To these costs, we should add an additional \$22. per month for additional property taxes applicable to a partial income property bringing the total cost to \$1,245. per month. Assuming Couple X could rent this extra 1 bedroom apartment for approximately \$450. per month, the overall cost of carrying the house would be reduced to about \$800. or well within the \$875. limit which they set for themselves.

FIGURE 2: MODEL #2 BY NON-RESIDENT INVESTOR TO ACCOMMODATE 2 HOUSEHOLDS

CREATION COSTS

1. Acquisition Costs	50,000.	100,000.	150,000.	200,000.
2. Alteration Costs	15,000.	15,000.	15,000.	15,000.
3. Soft Costs @ 15% of Alter.	4,500.	4,500.	4,500.	4,500.
4. Holding Costs for 3 months @ 12%	1,560.	3,000.	4,500.	6,000.

Total Creation Costs	71,000.	122,500.	174,000.	225,500.
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Less Equity Position (25% of Creation Costs)	17,750.	30,625.	43,500.	56,375.
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Remaining Costs to Finance	52,250.	91,875.	130,500.	169,125.
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FINANCING COSTS

1. Return on Equity (10%)	1,775.	3,060.	4,350.	5,635.
2. Remaining Costs @ 12%	6,270.	11,025.	15,660.	20,295.

Total Financing Costs	8,045.	14,085.	20,010.	25,930.
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OPERATING COSTS

1. Taxes	710.	1,225.	1,740.	2,255.
2. Insurance	160.	270.	370.	480.
3. Maintenance/Upkeep	450.	450.	450.	450.
4. Heat and Utilities	1,500.	1,500.	1,500.	1,500.

Total Operating Costs	2,820.	3,445.	4,060.	4,685.
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TOTAL ANNUAL COSTS	10,865.	17,530.	24,070.	30,615.
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TOTAL ANNUAL COSTS PER UNIT	5,432.	8,765.	12,035.	15,307.
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BREAK-EVEN MONTHLY RENTS	453.	730.	1,003.	1,276.
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To further illustrate the economics of Model #2 from a homeowner's point of view and the issue of marginal cost differences, consider Couple Y of Ottawa who own their own 1,800 square foot home without any mortgage valued at \$150,000. The couple is retired and are living on a fixed income of \$1,200. per month before taxes and are paying approximately \$250. per month in property taxes, heat, water and sewer, insurance and maintenance/upkeep. While they can manage these costs, they do not have much flexibility in their income to deal with unexpected expenses or discretionary purchases. They realize they have considerable equity in their home but do not want to sell and move out of their home and neighbourhood to a rental apartment in order to realize their equity and have more discretionary income.

Since their children no longer live at home, they have found that they really don't need or use all of the space in their home. Therefore, they decide to convert part of their home to a self-contained 2 bedroom apartment for rental purposes. As noted above, the costs of doing the conversion amount to \$22,500. which they finance through an interest only mortgage at 12%. These interest charges add \$225. to the \$250. they currently pay bringing their total costs to \$475. per month. With the increased property taxes attributable to an income property, their total monthly costs are in the order of \$500.

Assuming Couple Y can rent this newly created apartment for \$500. per month, they could conceivably live "rent free" and thereby have an extra \$250. per month of discretionary income before taxes.

The tax implications on Couple Y of undertaking such a conversion would be minimal. For example, let us assume that Couple Y's \$14,400. a year income is received and reported totally by the husband and after deductions he pays taxes on approximately \$5,000. (\$850.). Also, we will assume that Couple Y's house is registered in the wife's name and that the appraised value of the house on the date of conversion is \$150,000. To this value they add \$22,500. as noted to convert the dwelling to a duplex giving the building a total value of \$172,500.

As noted above, the total annual costs to Couple Y of maintaining their duplexed dwelling after conversion is \$6,000. Because the house is in the wife's name, the rent for the newly created apartment is paid to her, giving her an annual income of \$6,000. Against this income she is able to claim 1/2 of the expenses of maintaining the duplexed dwelling plus the standard personal exemption leaving her in a tax-free position. Her husband on the other hand would lose the standard married exemption and end up paying about \$900. per year more in taxes. Therefore, the tax implications to Couple Y of undertaking the conversion described above would mean that instead of netting \$6,000. per year from the rent, they would realize just over \$5,000. in additional income per year. (See Table below for simplified tax analysis.)

BEFORE (CONVERSION) AND AFTER TAX SITUATION OF COUPLE Y

	<u>Before</u>	<u>After</u>
<u>Husband</u>		
Earned Income	\$14,400.	\$14,400.
Less Personal Exemptions	<u>9,460.</u>	<u>6,130.</u>
Taxable Income	\$ 4,940.	\$ 8,370.
Tax Liability	850.	1,750.
<u>Wife</u>		
Earned Income	---	\$ 6,000.
Less 50% of Duplex Operating Costs	---	<u>3,000.</u>
Net Income		\$ 3,000.
Less Personal Exemptions		<u>3,700.</u>
Taxable Income		NIL
Tax Liability		NIL

To complete the tax implications of this conversion, let us assume that, in 5 years, Couple Y decide to sell their house at a price of \$200,000. for a total profit of \$27,500. of which half, or \$13,750., is deemed to be attributable to the rental portion of the property. One-half of that profit would be added to the income of the wife in the year of the sale bringing her total income (rent + profit) to just under \$13,000. With deductions described above, she would probably end up with a taxable income of approximately \$6,000.-\$7,000. and be required to pay approximately \$1,200.-\$1,400. in taxes. If the agreement of purchase and sale were to close early in a tax year, this tax liability could be reduced to almost nothing or eliminated entirely through standard exemptions because of the loss of rental income through the sale of the property during the tax year in which the property is sold.

5.0 MODEL #3 ANALYSIS

"Building an addition (e.g. vertically or horizontally) to a grade related dwelling to accommodate an increase in the number of dwelling units (e.g. duplex)."

This type of intensification is generically similar to Model #2 in that it involves alterations to an existing single-family dwelling in order to create more than 1 self-contained dwelling out of the original house. It differs from Model #2 in that it relies on the creation of additional space to affect the conversion. While not limited exclusively to smaller single family dwellings, the concept would seem to be particularly applicable to bungalows (for adding a second floor) and smaller two storey dwellings.

As with Models #1 and #2, Model #3 activity could be undertaken by either a non-resident investor/entrepreneur or a prospective or existing owner-occupant. In the case of the owner-occupant, the motivations for undertaking this type of activity will probably be similar to the motivations that would lead to Model #2 conversions, but the likelihood of the homeowner undertaking this type of activity in order to create an additional dwelling unit might be less than in the straight conversion of an existing dwelling because of the perceived effort and cost involved in adding on.

While the motivations of homeowners to undertake Model #3 activity might be similar, for the most part, to Model #2, one particular exception should be mentioned. This exception relates to the creation of a separate small self-contained dwelling unit specifically for an older single member of the extended family - i.e. a grandfather or grandmother. For a variety of reasons, economic and otherwise, a family may decide to create such an addition to their existing single-family dwelling for an older single parent rather than have that person move from their existing home to a conventional bachelor apartment. Assuming a 350 square foot addition which contains a bed sitting room, a small kitchen and a small bathroom and has its own private entry cost approximately \$20,000. to construct (hard and soft costs), the carrying costs for such an addition, if financed entirely through a first or second mortgage against the property at 12% (interest only), would be \$200. per month. Add to this another \$75. per month to pay for heat, hydro and an increase in the property taxes due to the addition and the total cost of housing the single senior family member would be about \$275. per month; a very reasonable cost (for the senior and/or their children) by comparison with market rents for comparable accommodation in a conventional private sector apartment building.

As was noted above, Model #3 is, in many respects, similar to Model #2, except that it involves adding space to an existing dwelling either vertically or horizontally to facilitate a conversion. Obviously, the architectural or physical alternatives for adding to and converting a single family dwelling are too numerous to count. The pro forma provided in Figure 3, examines the economics of converting a 1,800 square foot dwelling into three roughly equal sized, one bedroom apartments. In order to affect such a conversion, however,

the investor finds that a 150 square foot addition is required to the ground floor of the house in order to accommodate a one bedroom apartment on this floor. The pro forma examines the implications of three of the four standard acquisition costs assumed in the other models with the standard assumptions concerning equity, return on equity, and interest rates.

The break-even monthly rents per unit amount to \$375., \$523. and \$705. at acquisition costs of \$50,000., \$100,000., and \$150,000. respectively. As with Model #2, these rents are slightly above the average rents for a one bedroom apartment in the various case study municipalities, but are significantly lower than the rent required to show a break-even situation on a one bedroom apartment in a new apartment building.

FIGURE 3: MODEL #2 BY NON-RESIDENT INVESTOR TO ACCOMMODATE 3 HOUSEHOLDS (BY ALTERING AND ADDING 150 SQUARE FEET TO THE EXISTING DWELLING)

CREATION COSTS

1. Acquisition Costs	50,000.	100,000.	150,000.
2. New Construction/Alteration Costs	22,500.	22,500.	22,500.
3. Soft Costs @ 20% of Alter.	4,500.	4,500.	4,500.
4. Holding Costs for 3 months @ 12%	1,500.	3,000.	4,500.
Total Creation Costs	88,500.	130,000.	181,500.

Equity Position (25% of Creation Costs)	22,125.	32,500.	45,375.

Remaining Costs to Finance	66,375.	97,500.	136,125.
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FINANCING COSTS

1. Return on Equity (10%)	2,210.	3,250.	4,540.
2. Remaining Costs @ 12%	7,965.	11,700.	16,335.
Total Financing Costs	10,175.	14,950.	20,875.

OPERATING COSTS

1. Taxes	885.	1,300.	1,800.
2. Insurance	165.	275.	390.
3. Maintenance/Upkeep	500.	500.	500.
4. Heat and Utilities	1,800.	1,800.	1,800.

Total Operating Costs	3,350.	3,875.	4,490.
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TOTAL ANNUAL COSTS	13,525.	18,825.	25,365.
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TOTAL ANNUAL COSTS PER UNIT	4,508.	6,275.	8,455.
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BREAK-EVEN MONTHLY RENTS	375.	523.	705.
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6.0 MODEL #4 ANALYSIS

"Building a second or third residence on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development)."

It is highly unlikely that an individual homeowner would undertake this form of intensification given that it would require considerably more development expertise and effort than a homeowner may be capable of or willing to put in. This is not to say that an individual homeowner would not undertake to sever off and sell part of their lot, where the potential exists, for someone else to build one or more new dwelling units.

As with Models #2 and #3, Model #4 presents countless physical possibilities and architectural alternatives depending on a range of variables such as lot size, street frontage, setbacks, etc. We have chosen in Figure 4 to illustrate the economics of building two stacked, 500 square foot apartments at the rear of an existing single-family dwelling lot that is accessible to the rear by way of a public lane. The pro forma assumes that the existing single-family dwelling would be rented out as such. In certain situations, an investor would likely be inclined to convert the existing dwelling to two or three self-contained units as well as per Model #2. Obviously, this would have the effect of lowering the break-even rents for all units (old and new).

Figure 4 examines the economics of the proposed type of infill under three of the four acquisition cost assumptions. As noted, construction costs are assumed at \$40. per square foot and soft costs at 30% of construction costs. While holding costs are calculated over a six month period, it is quite possible that these would be reduced to almost nothing if the investor could establish an immediate cash flow from renting the existing dwelling. As with the other models, equity is assumed at 25% of creation costs, with an annual return of 10% and financing costs are set at 12%.

To arrive at total annual costs attributable to the existing dwelling and the two new units, we arbitrarily assumed a 40/60 split. The total annual costs, split in this manner, create break-even rents of \$385., \$557. and \$725. per month for each of the new units and \$519., \$743. and \$966. for the existing dwelling.

If, as noted above, the investor were to convert the existing house as well into three, self-contained apartments roughly equal in size to the new units being built and divided the annual costs equally among the five units, the break-even monthly rents required per unit would range from \$325. to \$550.

FIGURE 4: MODEL #4 BY NON-RESIDENT INVESTOR TO CREATE 2 NEW ATTACHED DWELLINGS TO THE REAR OF AN EXISTING SINGLE FAMILY DWELLING

CREATION COSTS

1. Acquisition Costs	50,000.	100,000.	150,000.
2. Construction Costs*	50,000.	50,000.	50,000.
3. Soft Costs @ 30% of Const.	15,000.	15,000.	15,000.
4. Holding Costs for 6 months @ 12%	3,000.	6,000.	9,000.
Total Creation Costs	118,000.	171,000.	224,000.
Equity Position (%)	25%	25%	25%
(\$)	29,500.	42,750.	56,000.
Remaining Costs to Finance	88,500.	128,250.	168,000.

FINANCING COSTS

1. Return on Equity (10%)	2,950.	4,275.	5,600.
2. Remaining Costs @ 12%	10,620.	15,390.	20,160.
Total Financing Costs	13,570.	19,665.	25,760.

MAINTENANCE COSTS

1. Taxes	1,000.	1,500.	2,000.
2. Insurance	250.	370.	480.
3. Maintenance/Upkeep	750.	750.	750.
Total Maintenance Costs	2,000.	2,620.	3,230.
TOTAL ANNUAL COSTS	15,570.	22,285.	28,990.
TOTAL ANNUAL COSTS PER UNIT	6,228.	8,914.	11,596.
ANNUAL COSTS OF EXISTING DWELLING (40% of Total)	6,228.	8,914.	11,596.
BREAK-EVEN MONTHLY RENT FOR EXISTING DWELLING (Excluding Heat and Utilities)	519.	743.	966.
ANNUAL COSTS PER UNIT OF TWO NEW UNITS (60% of Total)	4,746.	6,585.	8,697.
BREAK-EVEN MONTHLY RENT FOR NEW UNIT (Excluding Heat and Utilities)	395.	557.	725.

7.0 MODEL #5 ANALYSIS

"Building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on the landscaped open space around a high-rise building)."

This type of residential infill will only be undertaken by a developer/investor and probably is most applicable to the existing owners of multiple unit rental projects where there exists potential site area for such infill.

Figure 5 provides a simple pro forma analysis of what rents would be required to show a break-even position on the construction of ten new, 1,200 square foot, three bedroom rowhouses on the site of an existing hypothetical multiple unit rental apartment building. The analysis assumes that this infill development would be undertaken by the current owner of the apartment building and, therefore, no land costs and holding costs are calculated in the creation costs. As indicated in Figure 5, the break-even rent per month for each house would be in the order of \$675. excluding heat, utilities and parking. This rent would appear to be at least comparable to similar accommodation in any of the case study municipalities and considerably below market in certain areas such as Toronto and North York.

MODEL #5: BY NON-RESIDENT INVESTOR TO CREATE 10 ADDITIONAL ROWHOUSE TYPE
RENTAL UNITS

CREATION COSTS

1. Acquisition Costs	---
2. Construction Costs*	480,000.
3. Soft Costs @ 30% of Const.	144,000.
4. Holding Costs for 6 months at 12%	---

Total Creation Costs

624,000.

Equity Position
(25% of Creation Costs)

156,000.

Remaining Costs to Finance

468,000.

FINANCING COSTS

1. Return on Equity (10%)	15,600.
2. Remaining Costs @ 12%	56,160.

Total Financing Costs

71,770.

OPERATING COSTS

1. Taxes	6,240.
2. Insurance	1,200.
3. Maintenance/Upkeep	1,900.

Total Operating Costs

9,340.

TOTAL ANNUAL COSTS

81,110.

TOTAL ANNUAL COSTS PER UNIT

8,111.

BREAK EVEN MONTHLY RENTS
(utilities and heating not included)

675.

*1,200 sq. ft. units with construction costs at \$40. per sq. ft. =
\$48,000./unit.

PART 3.2.2

**COMPARATIVE MUNICIPAL COSTS ASSOCIATED WITH INTENSIFICATION OF EXISTING
HOUSING AND NEW SUBURBAN HOUSING**

Prepared by:
Clayton Research Associates

3.2.2 COMPARATIVE MUNICIPAL COSTS ASSOCIATED WITH INTENSIFICATION OF EXISTING HOUSING AND NEW SUBURBAN HOUSING¹

1.0 INTRODUCTION

Most new housing is built on raw land at the suburban fringe. To accommodate this growth, municipalities have to extend roads, trunk services and build infrastructure such as recreation facilities, schools, and fire stations. Moreover, municipalities are faced with the operating costs associated with these new facilities.

It is commonly stated that the encouragement of more new housing in the older serviced areas of communities offers the potential of considerable cost savings to municipalities. The service infrastructure in these areas frequently was designed to serve a population larger than the present population. Hence, additional population could be accommodated at lesser incremental costs (both capital and current) than equivalent growth in new suburban areas.² The following illustrates this line of reasoning:

"The public has a very large investment in infrastructure - schools, parks, sewers, transit, roads, etc. - that could serve a population of perhaps 800,000 but the City's population has dropped below 600,000 and is still falling. Meanwhile, new infrastructure has to be built in other municipalities on the urban fringe".

However, not all financial analyses support this viewpoint. A recent analysis of three alternative growth scenarios for Winnipeg (business as usual, directed suburban and containment) concluded that differences in annual capital expenditures were relatively small and that future property tax rates would not be significantly different under any of the scenarios:

"The alternative spatial options had been originally developed in the hope that substantial long-term savings in the City's capital expenditures could eventually be realized through most efficient utilization of the

¹ The term "municipality" is used in a general sense to refer to lower tier and upper tier municipalities, their commissions and agencies, and to school boards.

² City of Toronto Planning and Development Department, Memorandum to the Committee on Neighbourhoods, Housing, Fire and Legislation entitled City Housing Policies and the Impact of Deconversion as Reported in Research Bulletin 16, September 3, 1980, page 2.

infrastructure already in place. The primary reason these savings failed to materialize on closer examination is apparently due to capacity limitations in existing infrastructure"¹.

The purpose of this paper is to present an analytical look at the comparative costs and revenues associated with additional infill/conversion housing versus additional suburban housing in order to ascertain the potential magnitude of cost savings associated with the former. The emphasis is on net costs (additional costs less additional revenues). Reference is made where possible to the case study municipalities.²

¹ Drew McArton, Urban Financial Analysis, Winnipeg Development Plan Review, May, 1980.

² The case study municipalities are the cities of Toronto, North York, Ottawa, Woodstock, Hamilton and Kingston.

2.0 ISSUES IN SELECTING A FISCAL IMPACT FRAMEWORK

A number of factors have to be considered in conducting a comparative cost analysis of additional infill/conversion and suburban housing:

. Site Specific Versus a Broad Area Approach.

One approach would be to compare the costs of infill/conversion residential projects on specific sites with identical developments in the suburbs. This approach was used in a recent study done by Peter Barnard Associates and Richard Drdla Associates.¹

Two major problems are encountered using the site specific approach. Firstly, it is highly unlikely that identical residential projects will be built in the older parts of a community and in the suburbs. Land costs typically are lower in suburban locations with the consequence that residential development tends to be of lower density (the composition of the residents will generally be different as well). And secondly, the municipal costs associated with specific sites are not necessarily representative of most sites in suburban or existing areas.

A more fruitful approach would be to consider costs for a sizeable undeveloped suburban land parcel and compare these with an equivalent amount of residential infill/conversion development in a fairly large existing area. This approach would tend to remove some of the variation in costs associated with specific sites. However, there still is the difficulty of dissimilar forms of development (and, hence, a potentially different population mix).

. The Comparison of Dissimilar Forms of Residential Development

The most common type of residential development in fringe suburban locations is the single-detached house. In contrast, the units produced in infill situations or through conversions are typically apartments. It would not be right to compare the costs associated with these two divergent housing forms in assessing the municipal finance implications of development in existing and fringe suburban locations. Similarly, to compare single-detached houses built in existing areas with those in suburban locations (or vice-versa for apartments) would be misleading because of the much higher values of the former.

¹ Peter Barnard Associates and Richard Drdla Associates, Infill and Energy Conservation in Existing Communities, prepared for the Ontario Ministries of Housing and Energy, July, 1981.

One way to deal with this problem is to limit the analysis to a comparison of single-detached houses in the suburbs and the lowest possible density of housing in an existing area having the same per dwelling unit average values as the suburban housing.

To get the same population mix using this approach, it would be necessary to assume that suburban households are indifferent between living in the suburbs and in the existing built-up part of the community. This would be the situation if price was the only factor affecting housing choice. In actual fact, many households choose a single-detached house in the suburbs as a lifestyle decision. They would be indifferent between existing and suburban locations only if they could have a single-detached house on similar-sized lots at approximately the same price (which is not likely to be the case).

- The Existence of Excess Capacity in Suburban Locations

The cost savings argument linked with infill/conversion residential development implicitly assumes that municipal services in fringe suburban locations do not have excess capacity whereas excess capacity exists in the existing community. This is likely to be the case for land which cannot be developed for many years into the future. However, many municipalities have already installed infrastructure (such as sewer and water treatment plants and trunk services) on a sufficient scale to enable large tracts of still undeveloped land to be readily serviced. Hence, the incremental capital costs associated with further suburban development may not be as great as initial impressions might suggest.

- Suburban Capital Costs Frequently are Paid By Developers or The Provincial Government

The cost calculations which influence municipal decision-making are not necessarily the actual capital costs of servicing additional residential development in existing versus suburban areas. Municipalities have established a system whereby the financing of capital infrastructure in the suburbs has been mainly shifted to land developers and builders. Thus, from a capital cost perspective, a municipality may be indifferent between new residential development in older serviced areas and development on the suburban fringe. Capital contributions by the provincial government for new infrastructure reinforces this behavioural pattern.

- The Establishment of Comparable Service Standards

Fiscal impact discussions are frequently couched in terms of the costs of new infrastructure in the suburbs versus excess capacity in the existing infrastructure in older areas. Since the life expectancies of new and older infrastructure are not the same, it is not valid to do a simple comparison between, say, the stream of services provided by a 30 year old existing arena and a brand new arena. Infrastructure wears out and

eventually has to be replaced. Hence, the cost comparison should explicitly recognize that a 30-year old arena is not equivalent to a new arena.

One way of handling this issue is to incorporate only a portion of new infrastructure costs in a suburban area into the cost analysis. The costs to be included would be based on the average life expectancy of the infrastructure in the case study existing area.

• Increased Grant Revenues Could Offset Current Property Tax Revenue Deficiencies

If real property assessment per dwelling unit for infill/conversion housing is more than or the same as for new suburban housing, the current revenue shortfall from property tax revenues relative to operating costs will likely be greater for suburban housing (this assumes that capacity constraints are more of a problem in suburban areas). However, a portion of this shortfall could be offset by higher grant revenues from the Province.

Under the resource equalization grant municipalities whose equalized assessment is below \$18,800 per capita receive unconditional grants from the Province which are larger, the greater the gap between the municipality's equalized assessment per capita and \$18,800. A grant rate based on the size of the assessment gap is applied to selected local revenues raised to determine grant revenues. Beginning in 1981, the Province placed restrictions on the maximum eligible annual revenue that a municipality can receive under the resource equalization grant. This would significantly reduce the scope for offsetting grant revenues to cover rising costs per dollar of assessment. However, grant revenues could be reduced if relatively more residential development in a municipality receiving grants were to take place in existing areas (assuming development in existing areas is more cost-effective).

Education financing works in a similar way as the resource equalization grant, however, there is no ceiling on the total dollar sum of the grant revenues (assuming per pupil costs do not exceed the costs recognized for grant purposes). The lower the equalized assessment per pupil in a jurisdiction, the larger the provincial assistance per pupil.

Some specific operating grants also rise if municipal costs increase. The Ministry of Transportation and Communications, for example, pays 50 percent of the costs of approved road maintenance and improvements. To the extent these costs are higher because of new suburban development, the total grant revenues paid to a municipality could also be higher.

3.0 A FISCAL IMPACT FRAMEWORK

A scheme of the fiscal impact framework formulated for the analysis here is presented on the following page. The main features are discussed below.

3.1 Delimiting a "Municipality"

The term "municipality" as used to this point refers generally to all local government entities including lower and upper tier municipalities and their commissions and agencies (e.g., public utilities and library boards) and public and separate school boards. In the analysis which follows the emphasis will be on lower tier municipalities and public school boards (a more comprehensive analysis would, of course, consider the other entities as well).

3.2 Choice of Case Study Areas

For the analysis here it is assumed that suburban development consists mainly of single-detached houses while development in existing serviced areas consists of the lowest density housing possible having the same average dwelling unit price as the suburban area.

The actual types of housing in existing case study areas will largely be a function of the differential between land prices on the fringe and land prices in older parts of the community (other factors affecting housing types include zoning regulations and neighbourhood quality). In a smaller city, like Woodstock, the predominant housing types in infill situations could be townhouses; in a large city, like Toronto or Ottawa, the housing could largely be low- or medium-rise apartments.

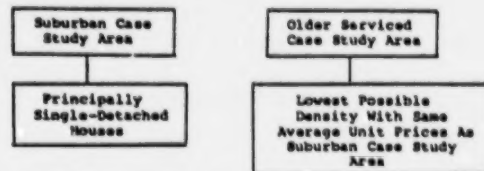
This assumption simplifies the analysis in several ways. For urban areas where the existing and suburban case study areas are within the same municipality, real property tax assessments and property tax revenues will be the same in the two case study areas. It also means that equalized assessment per capita and per pupil will be the same in the case study areas since it is implicitly assumed that the characteristics of residents are the same in the existing and suburban case study areas.

3.3 Comparison of Net Capital Costs

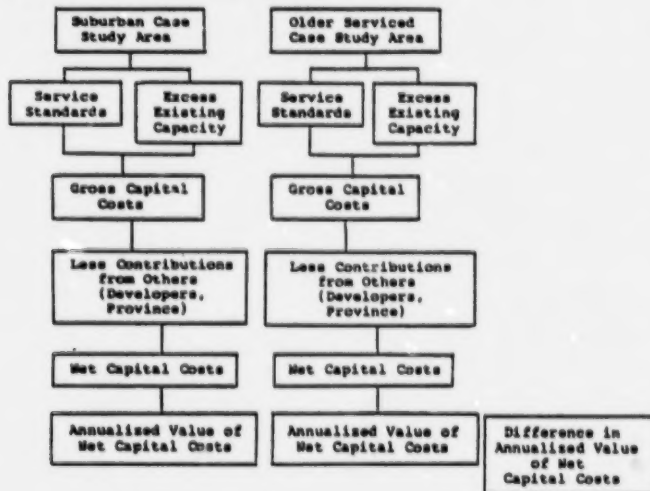
The capital costs associated with residential development in existing versus suburban areas are a function of service standards as well as available service capacity. It is a requisite of the analysis that service standards between existing and suburban areas be the the same. As previously discussed, a 30-year old school or arena is unlikely to provide the same standard of service (or at least not over the same number of future years) as a new school or arena.

FRAMEWORK FOR COMPARING NET FISCAL IMPACT OF INFILL/CONVERSION
VERSUS SUBURBAN RESIDENTIAL GROWTH

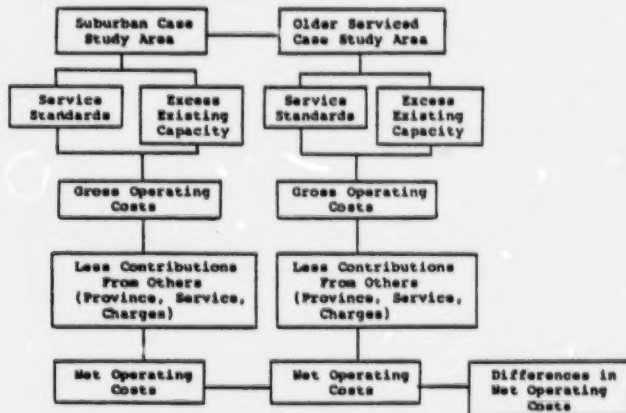
Choice of Case Study Areas



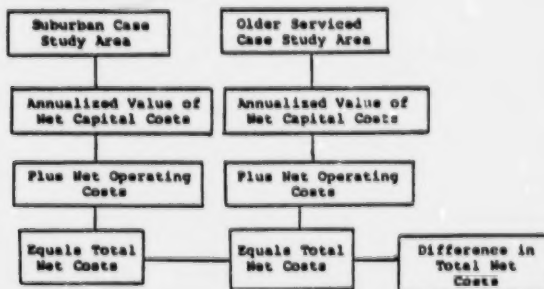
Comparison of Capital Cost Differences



Comparison of Operating Cost Differences



Comparison of Combined Capital and Operating Cost Differences



It is not possible to examine in detail within the constraints of the present study the capacity situation for each service or service standards in the case study municipalities. What has been done is to ask municipal treasurers and public school board officials to indicate what they regard the current capacity situation in their municipality to be. Hence, exact capital cost estimates for servicing residential development in existing and suburban locations are not produced.

The total cost of providing an equivalent standard of capital services in the two case study areas has to be adjusted for the contributions toward these costs received from developers (and builders) and others (mainly the Province). It is a general practice across Ontario for municipalities to require developers to pay the costs of all internal "hard" services within their subdivision. Many municipalities apply lot levies only to new suburban developments. In addition, the Province often contributes to the cost of new infrastructure such as sewage treatment plants and roads. For municipalities, the actual capital costs they bear in both existing and suburban locations are the gross costs less these contributions.

These net capital costs are converted to annualized figures in order that they can be combined with operating costs figures.

The discussion below summarizes the lot levy policies of the six case study municipalities and the types of capital grants made by the Province.

3.4 Comparison of Net Operating Costs

The ongoing costs associated with additional residential development in older serviced areas versus the suburban fringe are also a function of service standards and available excess capacity. If, for example, the response time for police or ambulance calls are shorter in the older part of the community, this should be reflected in the cost analysis; similarly with a fully-manned suburban fire station which is intended to serve a population larger than the current one.

Again, the procedure adopted here is to gain a general indication of excess service capacities in existing versus suburban areas through responses from municipal treasurers in the case study municipalities and through contacts with public school board officials. Potential differences in service standards are not considered.

With property taxes and service charges basically the same in the case study areas (existing versus suburbs), the only revenue item that could differ significantly is provincial grants. Differences in resource equalization and education grant revenues among areas are considered here.

This analysis brings together the general findings for capital costs and operating costs with the emphasis being on net costs (gross costs less revenue offsets). The discussion is qualitative since a complete tabulation of costs and revenues has not been prepared.

4.0 THE ANALYSIS OF NET COSTS

4.1 Municipal Observations on Capital Infrastructure Capacity

City of Toronto: The City of Toronto has not done any studies of the excess capacity inherent in its present infrastructure. However, intuitively, since the City once provided services for a much larger population than the present population (the City's population fell from about 713,000 persons in 1971 to 599,000 in 1981), it seems reasonable to conclude that significant excess capacity exists in many services.

The Core Area Housing Study prepared for the City of Toronto in 1974 concluded that in general there would be major financial benefits to encouraging more housing to be built in the core of the City, especially in the areas of transportation and underground services:¹

- . For new core residents working in the core there could be a reduction in the journey to work by automobile and more walking to work or using public transit; for core residents employed outside the core there would be more use of outbound road and transit facilities during the morning rush hour (and vice versa in the evening) which at the peak hours are under-utilized.
- . For social infrastructure like social and health services and underground services like water supply and waste disposal it would be cheaper overall to use the existing facilities and to expand them as required rather than to create an entirely new structure where one does not exist.
- . On the other hand, parks and schools have to be increased in relationship to population increase no matter where such growth takes place.

The Board of Education for the City of Toronto reports that it has excess capacity in existing elementary schools but that enrollment in its secondary schools is very near capacity. The elementary schools could accommodate another 15,000 students over the current enrollment of around 43,000. The Board contact felt that more efficient use of elementary schools would be to the Board's financial advantage.

¹ Klein and Sears and Damas and Smith Limited, Core Area Housing Study, December, 1974, pages 23-24. The study concluded that the water supply system serving the core was sufficient to satisfy a population of up to 250,000 persons (the 1971 population was about half this number). In contrast, some storm and sanitary drainage system improvements would be required to serve a significantly large population in the core. Additional parkland would be required in the core as well.

The Core Area Housing Study also concluded that there was some excess capacity in schools in the core of the City. However, it warned that the existing capacity was not necessarily located in areas where the greatest opportunities existed for new family housing. It stated that a considerable expansion of school facilities would be required, especially elementary schools.

City of North York: The City of North York was not able to provide information on capacity available in its services.

The Board of Education for the City of North York reported that it has substantial excess capacity in its elementary schools (more than 30,000 pupil places) but only a modest amount of available capacity in its junior high schools and little if any effective excess capacity in its senior high schools.

City of Ottawa: The City of Ottawa in general has sufficient excess capacity in the service infrastructure in existing areas to accommodate a significant expansion in population. This situation would not differ for family households as compared to non-family households. While all services have the capacity for future growth, water and sewer lines would have to be upgraded in some areas.

The City also reports that all residentially zoned vacant lands in the city are serviced for future development. Trunk lines have been extended to the City limits. New community centres are being built to accommodate short and long-term population growth.

The Ottawa Board of Education has significant excess capacity at both the elementary and secondary school levels - about 6,000 secondary and 8,000 elementary students. The Board contact seemed to feel that with the existing provincial grant structure improved efficiency in existing schools would not really help the Board very much financially.

City of Hamilton: The Regional Municipality of Hamilton-Wentworth reports that recreational, health, police, fire, library, transport and roads are generally available to service significant increases in population in older built-up parts of the City. Some upgrading of the sewer system and some additional parkland would be required (there is an ongoing program to increase the capacity of both sewers and parks).

While the City has no significant excess service capacity already in fringe suburban areas, it is committed to the provision of services to these areas. Services are provided in concert with the expansion of suburban areas though there would have to be a significant expansion in population before new recreation centres are built. The City considers increased population in the older parts of the City, especially in the Central Core, through conversion,

infilling or redevelopment at high densities to be very desirable in terms of use of services and energy.¹

The Board of Education for the City of Hamilton reports the existence of considerable excess capacity in existing schools (about 14,000 places overall). Thus, additional students could readily be accommodated without building new schools. The Board contact felt that it was in the financial interest of the Board to decrease costs.

City of Kingston: The older central city areas would appear to have an infrastructure of both "hard and soft" services which is more capable of accommodating population growth than the suburban areas. The City's Official Plan indicates the population capacity of the City (both the development capabilities of undeveloped sites and redevelopment areas) is about 90,000 persons. Present population is 60,000. It should be noted that this estimate was made at a time when average occupancy per dwelling unit was higher than at present. An estimate made today might show a lower but still substantial capacity. The City of Kingston has only a limited amount of undeveloped fringe area land within its boundaries (most residential potential in the area is outside the City).

The City reports that "hard" services are in place in its remaining fringe areas but that some additional "soft" services will likely be needed as these areas develop.

The Frontenac County Board of Education has effective capacity for another 800 students in the elementary schools but less excess capacity in its secondary schools.

City Of Woodstock: The City of Woodstock was not able to provide information on service capacities.

The Oxford County Board of Education reports that existing spaces in schools are being used to near capacity. Surplus schools have either been shifted to other uses (e.g., libraries) or have been sold.

4.2 Developer Financing Policies²

Suburban developers are generally required to pay for and construct internal services within their subdivisions. These services include, among other

¹ See Planning and Development Department, Regional Municipality of Hamilton-Wentworth, Central Area Plan for the City of Hamilton, January, 1981.

² The discussion here is based in large part on Giffels Associates Limited, Survey of Lot Levy Practices in Ontario, January, 1981. The six case study municipalities were contacted to obtain more current lot levy figures.

things, sewers, roads, curbs, sidewalks, street lighting and landscaping. Most municipalities, in addition, require developers to pay a lump sum payment to apply against the cost of sewer and water treatment plants, trunk lines, extension of arterial roads, construction of recreation facilities, etc. Lot levy practices in the case study municipalities are summarized below.

City of Toronto: By-law No. 341-67 provides for special charges on buildings which may impose a heavy load on the sanitary or storm sewer system. These charges amount to 50 cents for each square foot of gross floor area (less a 3,000 square foot exemption for each structure). For an apartment unit with 1,500 gross square feet the levy would be \$750.

City of North York: The Parks Fund Charge requires that \$400. per suite be paid on increased density for plans of subdivision and zoning amendments. Sewer impost charges are levied based on \$5. per front footage for single-family houses (\$250. for a 50 foot lot) and \$100. per unit plus \$1,090 per acre for multiple dwellings (about \$136. per unit at 30 units per acre).

The Municipality of Metropolitan Toronto does not impose lot levies. Neither the City of Toronto nor the City of North York have tracts of undeveloped suburban lands.

City of Ottawa: The City of Ottawa imposes levies of \$600.-\$900. per unit on subdivision land zoned for single-family dwellings. Levies on multiple land are based on \$3,600. per acre plus \$300. per unit (\$420. per unit at 30 units per acre).

Redevelopment charges are levied at \$375. per dwelling unit (single-family dwellings are excluded).

The Regional Municipality of Ottawa-Carleton does not impose lot levies.

City of Hamilton: The City of Hamilton imposes a levy in new subdivisions to raise funds for capital services such as roadways, sidewalks, recreation facilities and libraries. The charges range from \$500. per unit (one to three unit structures) to \$350. (structures with four units or more). The levies were established at this relatively low level to encourage growth.

The Regional Municipality of Hamilton-Wentworth also imposes a levy for sanitary sewer, storm sewer and water services in new subdivisions. The land area rate for complete services is \$1.60 per square metre of land area to a maximum of \$1,264. per single-family dwelling. The density charge of \$220. per unit applies to structures with three or more units.

City of Kingston: The City of Kingston imposes a charge to cover the cost of additional sanitary sewer capacity which would otherwise not be required. The per unit charge of \$375. applies only to structures having more than two units. Most growth in recent years in Kingston has been via infilling rather than subdivisions.

City of Woodstock: The City of Woodstock applies a \$1,050. levy on new dwelling units in new subdivisions and on redeveloped sites requiring rezoning.

Three of the case study municipalities, then have little, if any, undeveloped land available for new subdivisions. These are the cities of Toronto, North York and Kingston. In all three instances the lot levy charges are fairly low. However, in suburban areas beyond the boundaries of these cities lot levies are considerably higher. To illustrate:

- . In the Town of Markham, just to the north of North York, new development faces a levy of \$2,625. per unit (made up of an administrative lot fee levy, a sewer levy and a water levy).
- . In Kingston Township the levy is \$2,125. for dwellings with three or more bedrooms.

In these instances it is fair to conclude that the revenue offsets through lot levy contributions are considerably higher for suburban than for infill/conversion residential development.

For Hamilton the differential revenue offsets are smaller; while levies are not imposed on infill or for redevelopment situations, the levy on suburban residential development is low compared with suburban Toronto municipalities. This is similar to Ottawa, where the suburban levies are not substantially different from the levies on redevelopment sites.

Woodstock applies the same levies to rezonings as to suburban development.

4.3 Capital Grants from the Province

The province provides financial assistance for a variety of capital projects undertaken by municipalities. Some of the more important of these are discussed below.

Major Water and Sewage Works: The Ministry of the Environment provides grants equal to 15 percent of the capital costs (after deduction of federal or other grants) for water and sanitary sewage treatment facilities and trunk lines. Priority is given to:

- . Works to service an area encompassing more than one municipality; and
- . Works providing for an increased supply of serviced lots in growth areas.

These grants thus reduce municipal costs with respect to suburban residential growth.

Schools: The Province currently approves and pays for most of the capital costs for new schools. Current policies favour the creation of new pupil places in areas where student enrollments are rising rapidly. About 90 percent of school construction grants go toward the construction of new schools.

Hospitals: Capital grants for hospital construction are based on need. There is no policy to encourage either the construction of new hospitals or the renovation of existing hospitals (currently the split in grant funds is about 50/50).

Housing: The Ministry of Municipal Affairs and Housing has a number of capital grant or preferred interest loan programs which assist municipalities to renew older parts of the community. These include the Ontario Home Renewal Program, the Ontario Downtown and Main Street Revitalization Programs, and the Ontario Neighbourhood Improvement Program.

Roads: The Ministry of Transportation and Communications provides grants equal to 50 percent of approved road construction expenditure. Most of these funds are applied to the reconstruction and maintenance of existing roads.

Wintario Capital Grants: The majority of Wintario grants for the purchase, construction or renovation of cultural and recreation facilities have gone toward the construction of facilities where none previously existed. There is no firm policy which encourages the construction of new as opposed to the renovation of existing structures.

Public Transportation: The Ministry of Transportation and Communications makes sizeable contributions (75 percent) towards subway construction expenditures and the cost of buses, transit terminals, etc. Since these facilities often tend to enhance accessibility between suburban and more central areas, these grants help offset the costs of additional suburban development.

The preliminary investigations conducted as part of this study tend to show that on an overall basis provincial capital grant programs provide more financial assistance to new suburban areas than to existing areas.

4.4. Municipal Observations on Operating Infrastructure Capacity

The comments here are restricted to school boards as municipal staff was unable to provide information on operating capacities.

City of Toronto: According to the Board of Education for the City of Toronto, additional teachers would be needed both at the elementary and secondary levels to accommodate further residential growth. Since teachers' salaries and fringe benefits account for approximately two-thirds of total education expenditures, the cost savings associated with the more efficient utilization of the elementary schools would be around one-third of per pupil costs.

City of North York: The contact at the Board of Education for the City of North York stated they could probably handle some additional students at the secondary level without hiring more teachers but would need more teachers at the elementary level.

City of Ottawa: The Ottawa Board of Education is operating below capacity in terms of student/teacher ratios in some schools and for some groups of students. Thus there is some scope for adding students without adding teachers.

City of Hamilton: Since the Board of Education for the City of Hamilton operates on a fixed student/teacher ratio, additional teachers would have to be hired to accommodate additional pupils in existing schools.

City of Kingston: The situation for the Frontenac County Board of Education is essentially the same as for the Board of Education for the City of Hamilton.

City of Woodstock: The Oxford County Board of Education was not able to provide information on excess operating capacity.

4.5 Operating Grants from the Province

Unconditional grants: The only unconditional grants which could be materially affected by a shift in residential growth to existing areas are the resource equalization grant and the general support grant. To the extent future municipal costs are reduced because of the more effective use of existing infrastructure, municipalities would receive less revenues under these grant programs. Because of the ceiling now imposed on the resource equalization grant, the converse does not generally hold for higher costs due to more suburban growth; municipalities would, however, receive additional revenues under the general support grant.

Education grants: As long as a school board's per pupil expenditures do not exceed the limits set by the Ministry of Education, the net costs of utilizing surplus existing capacity versus new schools would be about the same for most school boards.

5.0 CONCLUSIONS

There can be little doubt that as a general rule it is more cost-effective for municipalities to utilize surplus infrastructure capacity in the existing community rather than to build new infrastructure at the suburban fringe. However, this generalized finding will be significantly affected by several factors including:

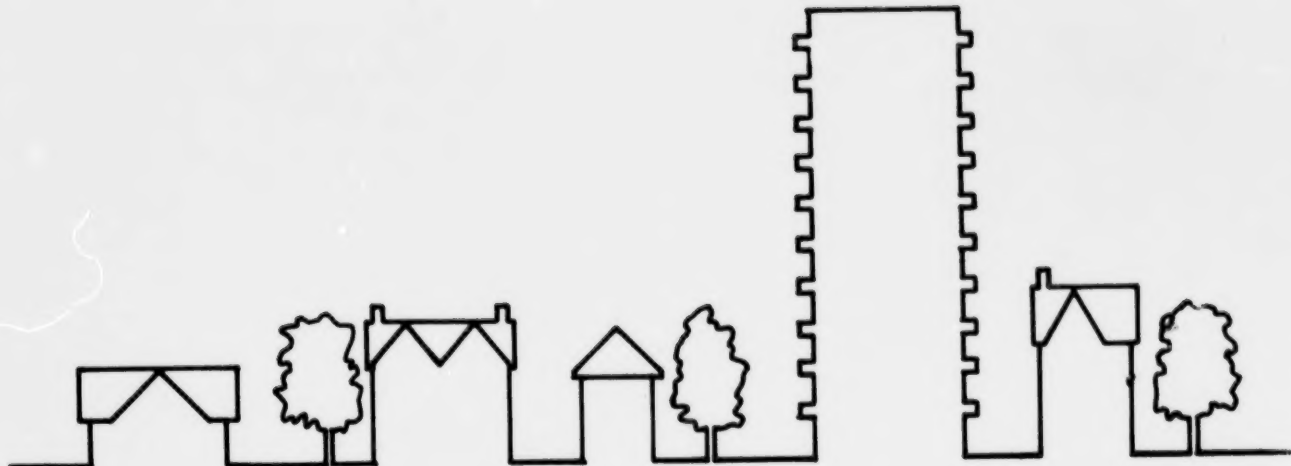
- . The extent to which there is not excess capacity in the existing community and the extent to which there is surplus capacity in the suburbs; and
- . The extent to which developers/builders and the provincial government pay a share of suburban growth costs.

It is not possible to arrive at definitive conclusions relating to net costs of existing versus suburban residential development in the case study municipalities. However, it does seem as though the cost savings arguments for encouraging more development in existing areas are less forceful than initial impressions would seem to indicate. This is because: (a) the existing service infrastructure frequently has been designed with the intention to accommodate additional fringe suburban growth (this is especially true for "hard" services); (b) much of the capital infrastructure costs are paid initially by developers/builders and ultimately by homebuyers and (c) a portion of the capital costs of suburban infrastructure is paid by the Province of Ontario (and hence the taxpayers of Ontario).

The fact that municipalities generally pay only a small portion of the capital cost of new suburban infrastructure acts as a disincentive for municipalities to encourage more housing to be created in older parts of the community through infilling and conversion. Municipalities quite naturally base financial decisions on the net costs to them rather than the gross costs. In the case of fringe suburban infrastructure, a portion of the costs is shifted to homebuyers and Ontario taxpayers in general. If the provincial grant and the developer financing system were neutral between further suburban and additional residential development in existing areas, then it is likely that more residential development would occur in built-up areas. This would be a more efficient development pattern from the perspective of costs to society as a whole.

Number/ Numéro

3



STUDY OF RESIDENTIAL INTENSIFICATION AND RENTAL HOUSING CONSERVATION

PART 3 : RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

3.3: THE SUPPLY PROCESS

PREPARED FOR
THE ONTARIO MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING
AND THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

BY
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NOTE:

This is a consultants' report. Any statements or opinions expressed herein are those of the writers or of persons quoted and, unless otherwise noted, are not necessarily endorsed by the Ministry of Municipal Affairs & Housing, Government of Ontario, or the Association of Municipalities of Ontario.

FOREWORD

This study was commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. Funding for the study was provided by the Ontario Ministry of Municipal Affairs and Housing through the Housing Renovation and Energy Conservation Unit of the Community Housing Wing. The Ministry's chief representative on the study was Mr. George Przybylowski of the Housing Renovation and Energy Conservation Unit. In this capacity Mr. Przybylowski was the prime client contact throughout the study process and the consultants wish to express their gratitude to him for his considerable personal commitment to this study and the many creative and useful suggestions he made during the course of the investigations.

The findings, conclusions and recommendations contained in the various volumes of the study report are those of the consultants as are any factual errors they may contain. The report does not constitute Ontario Government or A.M.O. policy but is a report to these two organizations for their consideration.

Peter G. McInnis
Study Director

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GENERAL INTRODUCTION

This document forms one volume of an eleven volume study report commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario (A.M.O.) in July, 1982. The prime objectives of the study were:

1. To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods.
2. To examine some of the major forces at work that have and could threaten the conservation of the existing stock of rental housing and the tenants that occupy this stock.

These objectives were formulated in response to concerns on the part of the Ministry and A.M.O. regarding recent and emerging trends in housing and urban development and population growth and change in Ontario.

It is safe to assume that there will continue to be a demand for more rental and ownership housing units in Ontario during the 1980's and 1990's due to both an absolute increase in population and an increase in the number of households. However, there is growing evidence that this demand could be different in nature than during the last decade. While demand will continue to be focused in urban areas, there will likely be increasing pressure for inner city housing particularly in the larger urban centres such as Toronto, Ottawa and Hamilton. Also, households are getting smaller and older; and more people are beginning to accept the prospect of never being able to afford to own a home. These trends suggest that there will be an increasing demand for smaller dwellings. While consumer preference information may not support this, the general state of the economy and the future affordability of housing may dictate these demands.

The Government of Ontario and the Association of Municipalities of Ontario are concerned about how these additional and somewhat different housing needs of the 80's and 90's will be met, particularly in light of the downturn in the construction of new private rental housing; the economic prospects for the 80's and 90's and the likely restraints on public expenditures related to new facilities and services and socially assisted housing; and the increasing difficulty of providing new housing through large scale redevelopment and/or a further expansion outwards of Ontario's urban fabric.

There are two major approaches to creating additional housing: 1) building new and 2) making more efficient (intensive) use of the housing stock that currently exists. This study is aimed primarily at the latter and specifically at the potential for meeting some of the future housing needs in

the Province through the conversion of the existing stock of some 1,200,000 grade-related owner occupied dwellings in the Province. The extent to which this study is concerned with new housing was limited to the opportunities that might exist for small scale residential infill in residential neighbourhoods.

In addition to being concerned about meeting additional housing needs, the Ministry and A.M.O. were concerned about conserving the existing rental stock in a safe and livable condition for at least the same number of households as it currently accommodates. While this aging/conservation issue is by no means a new one, the nature of the issue will likely be quite different in the future. Until the late 1950's, the vast majority of housing in the Province was grade-related and owner occupied, and the conservation of these types of dwellings usually happened as a matter of course without much concern or assistance on the part of governments. In the last 30 years, however, the housing stock profile has changed dramatically with the advent of the high-rise apartment building. Rental apartments in multiple unit buildings form a much larger proportion of the stock than ever before. Approximately two-thirds of the over one million rental housing units in Ontario are located in high-rise or low-rise/walk-up multiple unit apartment buildings. Forty percent or 434,000 of the total rental units are in high-rise buildings. The conservation of the apartment rental stock has never been a serious issue in the past because of the relative newness of this stock. However, as these buildings age during the 80's and 90's (many are already 20 years old), serious attention will have to be given to the efforts that will be required to maintain these units in a safe and livable condition and within the economic reach of a large majority of the population. Therefore, the second objective of this study was in part, to examine the type of building repairs and improvements (and their associated costs) that will be required to conserve the Province's stock of some 434,000 high-rise rental apartments over the next 20 years.

A second rental housing conservation concern of the Ministry and A.M.O. had to do with the perceived loss of low-income rental accommodation that has traditionally been available in the form of rooms and apartments in grade-related dwellings in older neighbourhoods. Specifically, the study was to examine the extent of the loss of this type of housing due to demolition and deconversion resulting from the gentrification of these dwellings and the impact these losses have had on tenants.

The investigations were carried out by a series of five individual consultants working under the direction of a sixth consultant retained to coordinate and direct the study investigations. The work of each consultant was monitored and reviewed by a core study group made up of the five consultants, the study director and representatives of MOMAH and AMO.

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Special Assistant
To Core Group: Betty Kaser

While the consultants' work on this study began formally at the beginning of July, 1982, some considerable effort was spent in advance of this start-up by a steering committee of Ministry and AMO representatives in developing terms of reference and a work plan with the Study Director that reflected the findings of an extensive and detailed review of the literature pertaining to the issues in question. This literature review was carried out by David Hulchanski for the Ministry during April and May of 1982 and has been published under separate cover. The prime purpose of this review was to identify the extent to which the issues in question had already been considered and the findings and conclusions that had been reached in order that the consultants' work could be focussed on those issues about which there is limited knowledge or understanding. Also, this review provided a valuable basis for establishing certain propositions to be tested in the study.

The investigations, particularly those relating to Objective #1, were carried out on a case study area basis in the municipalities of Toronto, North York, Hamilton, Kingston, Woodstock and Ottawa with special input from municipal officials in Thunder Bay. These municipalities were selected to reflect the fact that many of the issues under investigation were more associated with larger urban areas as well as to provide, at the same time, a range of sizes of municipalities for comparative purposes.

The overall study report is organized into 11 separate volumes. These 11 volumes follow the 5 part organization of the findings, conclusions and recommendations of the study investigations as indicated below:

PART #	TITLE (Prime Consultants)	VOLUME #
1	Summary of Findings And Recommendations (Klein & Sears)	1
2	Economic And Demographic Trends for the 80's and 90's (Clayton Research Associates)	2
3	Residential Intensification And Future Housing Needs	
3.1	Physical Potential (Clayton Research Associates)	3
3.2	Economic Issues (Klein & Sears and Clayton Research Associates)	4
3.3	The Supply Process (Environics Research Group and Clayton Research Associates)	5
3.4	Tenant Demand (Environics Research Group)	6
3.5	Neighbourhood Impact And Resistance (Environics Research Group and Lewinberg Consultants)	7
3.6	Municipal And Provincial Policies And Regulations (Walker, Poole, Milligan)	8
4	Conserving The Existing Rental Housing Stock	
4.1	Recent Rental Stock Losses and the Impact of Deconversion (Clayton Research Associates and Lewinberg Consultants)	9

4.2	Future Conservation Requirements And Costs for High-Rise Apartments and the Possible Impact on Rents and Tenants (Klein & Sears and Clayton Research Associates)	10
5	Data Sources And Problems (Clayton Research Associates)	11

This particular volume (Volume #5) of the study report was prepared by two different consultants. Mr. Greg Lampert of Clayton Research Associates was responsible for the first part of this volume, dealing with the identification of groups who might be interested in converting their housing as well as the third part, dealing with the Construction Industry. Mr. Michael Adams of Environics Research Group prepared the second part of this volume, dealing with the attitudes and willingness of homeowners to undertake conversion.

INTRODUCTION TO PART 3

This part of the study deals with Objective #1

"To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods"

"Residential Intensification" as used in this study means increasing the number of households accommodated in existing buildings and/or on existing serviced land in already built-up parts of urban areas through conversion of existing structures and through additions to existing structures and the building of new structures on vacant or near vacant land. Intensification as used in this study is achieved with little or no demolition of existing buildings.

The interest in intensification reflects emerging housing market trends, changing urban population profiles and the economics of new housing construction, in particular new private rental apartments. In addition, the interest in intensification as a means of meeting some of the future housing needs in Ontario stems from a number of factors not the least of which is the economic restraint under which governments at all levels now find themselves operating and the prospect of similar conditions prevailing over the next several years. These restraint conditions have caused some governments to cut back on or freeze spending on new facilities and services and seriously assess the efficiency with which existing facilities are used. The argument in support of intensification to provide additional housing is, in part, due to these economic restraints and the potential that may exist for increasing the number of households being served by the existing urban infrastructure.

This study defined 7 basic forms or models of conversion and infill that meet the above definition of intensification:

- 1) changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)
- 2) changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.);
- 3) building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units;
- 4) building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development);

- 5) building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building);
- 6) converting existing obsolete non-residential space to residential use (e.g. over stores along arterials); and
- 7) building new multiple residential units on vacant or near vacant sites in commercial areas (e.g. mixed-use projects in core areas).

While Models #6 and #7 are critical forms of intensification, the opportunities and constraints related to these models are well researched and documented. In fact, in the past few years the Ministry itself has conducted two investigations into the potential for residential and mixed commercial and residential infill development in the core areas of Ontario municipalities. This study concerned itself solely with investigating conversion and infill potential in existing residential neighbourhoods because of the paucity of good information that exists on the subject. In particular, emphasis was placed on the conversion models and their potential application to the 1.2 million grade-related owner occupied dwellings in Ontario urban centres of more than 10,000 people.

Models #2-5 are graphically illustrated in Figures 1-6 on the following pages. These figures provide just a few examples of the multitude of different physical forms the various types of intensification could take.

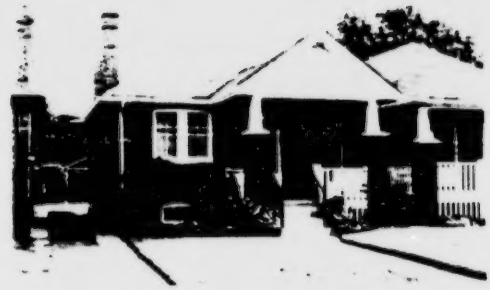
The examination of the opportunities and constraints associated with the creation of additional housing by means of the 5 models is examined in terms of:

- the physical potential of intensification vis-a-vis such issues as the convertability of various house forms, current intensity of use and the opportunities for infilling around or adding to existing dwellings;
- the economics of intensification in respect to the costs of creating new accommodation and rents required to pay for this accommodation as well as the economic impact of intensification on municipalities;
- the supply process or who could and would undertake various forms of intensification and the motivations for doing so as well as the capability and attitudes of the construction industry and lenders to facilitate intensification activities;
- the market demand for various types of accommodation that could result from intensification among various segments of the tenant market;
- community and neighbourhood impact and resistance that may occur as a result of or in anticipation of increased intensification activities in the various types of neighbourhoods that are traditionally found in the urban fabric of Ontario municipalities;
- government policies and regulations and in particular, municipal official plans and zoning by-laws.

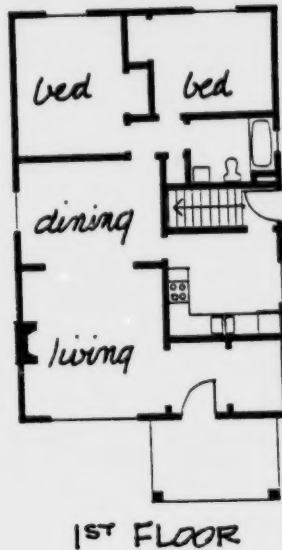
FIGURE 1 – Model 2

BUNGALOW CONVERSION

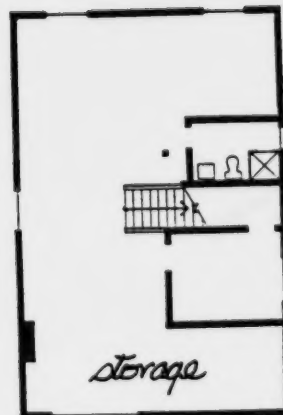
- a self contained one bedroom unit is provided in addition to the existing ground floor unit
- existing basement stairs are located adjacent to the back entrance facilitating conversion
- window wells or excavation to create a sunken patio can increase natural light for a basement apartment
- if the basement is already finished and/or a bathroom is in place, the conversion is likely to be less costly



BEFORE

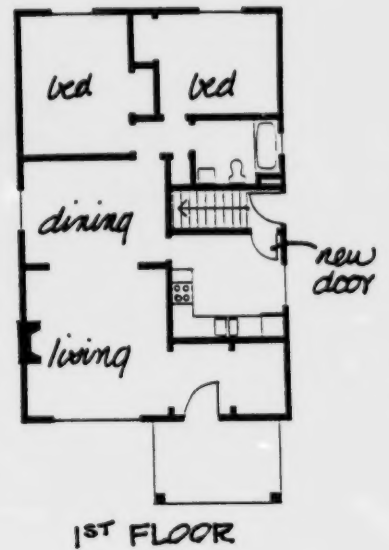


1ST FLOOR

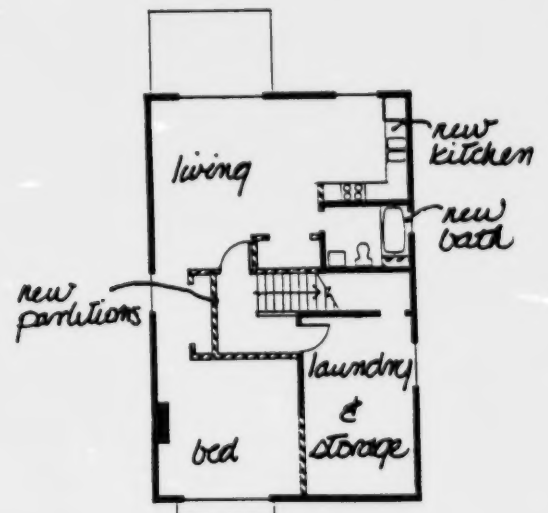


BASEMENT

AFTER



1ST FLOOR



BASEMENT

FIGURE 2 – Model 2

CONVERSION OF A THREE STOREY SEMI-DETACHED HOUSE

- the house is converted to provide a one bedroom unit on the ground floor and basement and a two bedroom unit on the second and third floors
- stairs and entrances are generally found on the party wall of semi-detached homes. This plan form lends itself readily to natural hall circulation
- decks can be added to second or third floors to provide additional space
- a larger house such as this provides more options for conversion. The house could be converted in a number of ways including three or four self-contained units, one on each floor or leaving the existing basement and converting to provide a bachelor apartment on one floor and a two bedroom apartment on the remaining floors



BEFORE

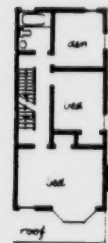


3RD FLOOR

AFTER



3RD FLOOR



2ND FLOOR



2ND FLOOR



GROUND



GROUND



BASEMENT

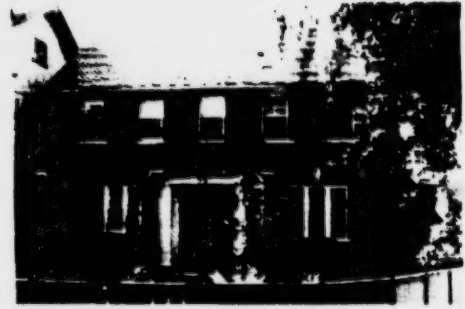


BASEMENT

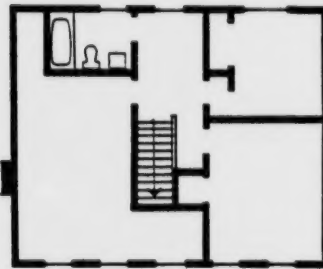
FIGURE 3 – Model 2

CONVERSION OF A TWO STOREY DETACHED HOUSE

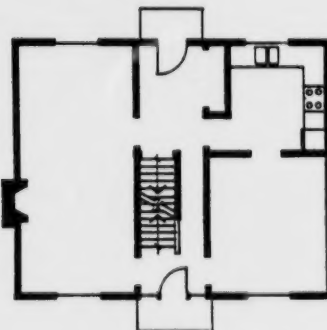
- the house is converted to provide a one bedroom unit on the ground floor and a one bedroom unit on the second floor
- the centre hall plan of this house is not as easily adaptable as the side hall plan of the previous illustration. The resulting circulation pattern within the units tends to be from room to room rather than off a hall



BEFORE



2ND FLOOR

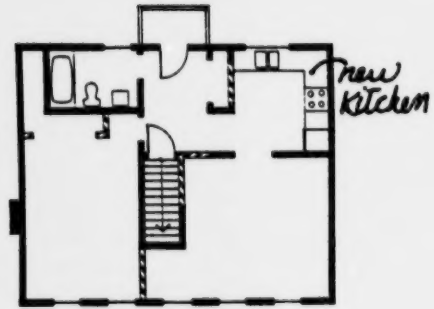


GROUND

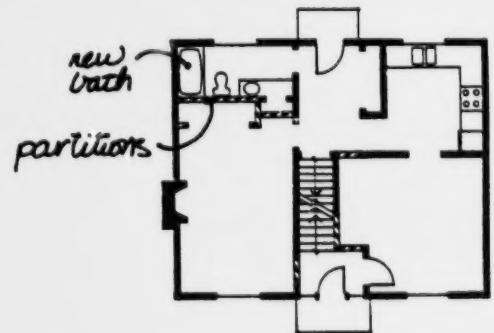


BASEMENT

AFTER



2ND FLOOR



GROUND

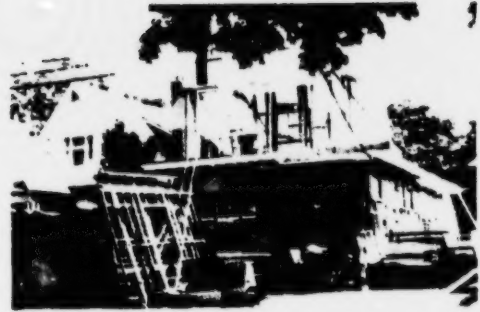


BASEMENT

FIGURE 4 – Model 3

VERTICAL ADDITION

- a second storey is added to an existing bungalow to provide a second self-contained dwelling unit
- as the ceiling of the ground floor unit is exposed during construction, timing and weather are important concerns in planning for this type of addition



HORIZONTAL ADDITION

- an existing garage is converted to residential space and provides a bachelor unit
- garages frequently have an existing back door and windows which can be incorporated in the conversion
- if the plumbing in the existing house is on the side of the house adjacent to the garage, the addition is likely to be less costly
- as this unit is grade related and provides access without stairs, it is particularly appropriate for a "granny unit"

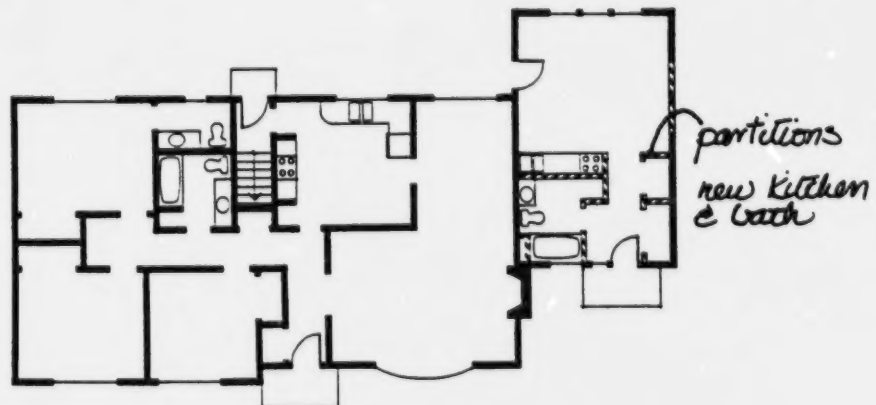


FIGURE 5 - Model 4

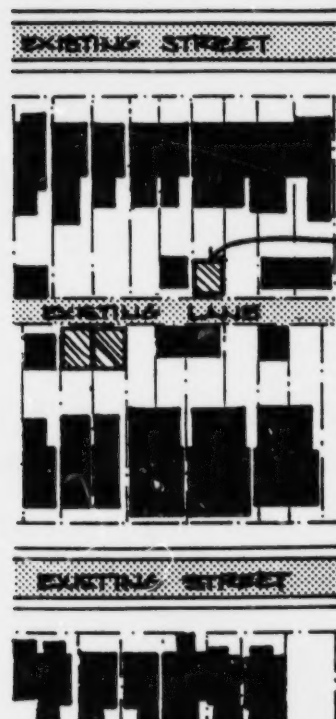
BACK LOT INFILL

- new housing units are built at the back of the lots on which there are existing houses
- access is from a back lane in one example and from the street using the side driveway in the other
- the length of the lot and the location of the house on the lot are critical factors. Generally urban land use patterns will accommodate this type of infill more readily than suburban land use patterns where the house is typically situated close to the centre of the lot
- the new housing could provide more than one unit or larger units by building more than one floor

BACK LANE ACCESS



SIDE DRIVE ACCESS



INFILL

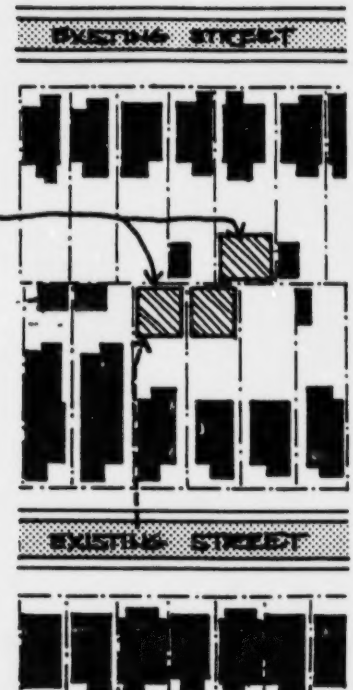
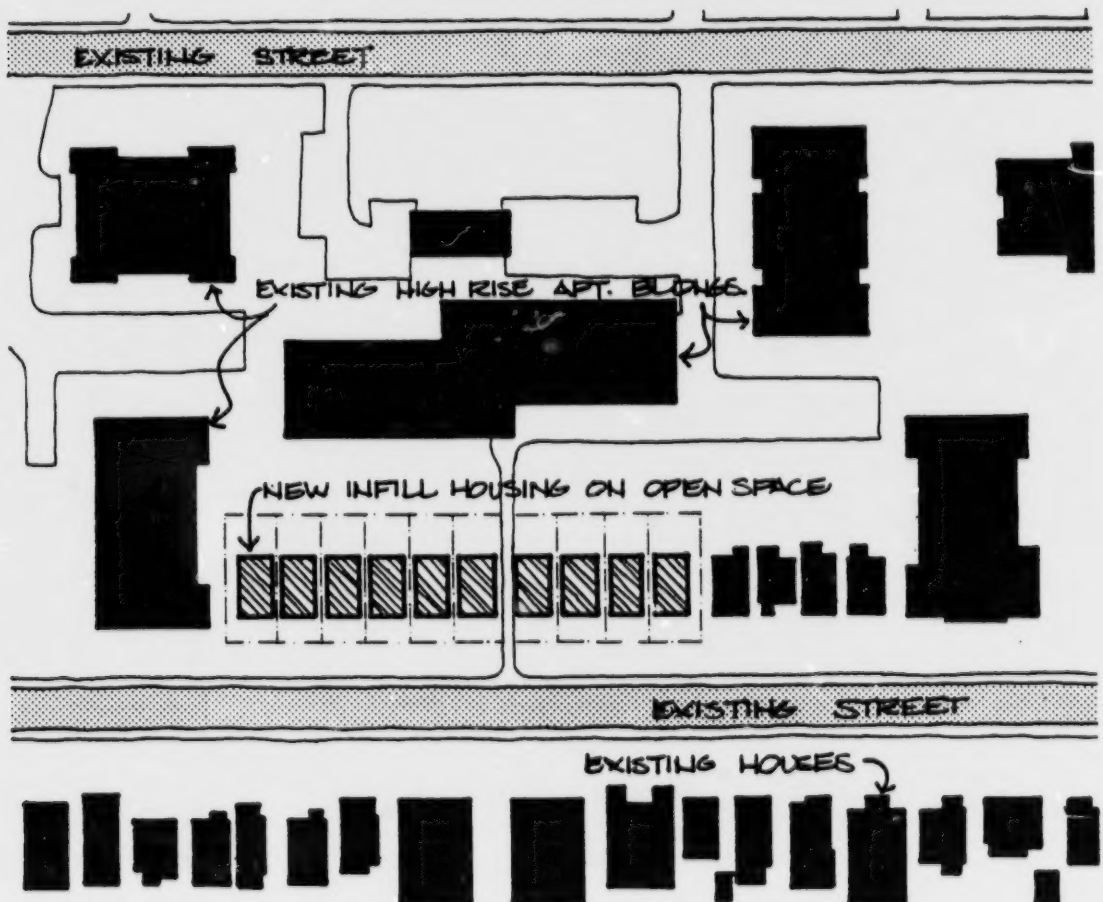


FIGURE 6 - Model 5

INFILL ON APARTMENT GROUNDS

- a number of single family houses are shown as infill in the landscaped open space of a high rise apartment building. The new housing could also take the form of semi-detached housing, row housing or low rise apartment structures
- the housing type could be selected to be consistent with the surrounding neighbourhood
- existing underground garages for the high rise apartment buildings often have surplus spaces which could be used for the new infill housing



PART 3.3.1

MARKET FOR UNDERTAKING INTENSIFICATION

Prepared by:
Clayton Research Associates

3.3.1 MARKET FOR UNDERTAKING INTENSIFICATION

1.0 PURPOSE

Conversions of dwellings will only occur if the owners of the properties involved find it in their interest to convert. Clearly, the immediate economics of conversion are extremely important in this regard, however, there are many other relevant considerations as well: for example, a family's current and future space requirements will be an important factor as will the owner's perception of whether the conversion will have a serious impact on his lifestyle.

The importance of these factors, and hence the viability of the conversion option, will differ for different groups of owners. The purpose of this section is:

- . To identify hypothetically the motivations and expectations of the current owners of the convertible stock and to assess the extent to which they would consider conversion of their dwellings (these hypothetical motivations and expectations for each group will be confirmed or denied and added to by a market survey among the groups indentified below); and
- . To examine the amount of the convertible stock held by each of the groups in order to postulate the physical potential for conversions in Ontario.

2.0 THE GROUPS AND THEIR HYPOTHETICAL MOTIVATIONS AND EXPECTATIONS

The owners of the convertible housing stock can be categorized into the following broad groupings:

- . Absentee owners - landlords who are currently renting the dwelling(s) to one or more households:
- . Young owner-occupants - households in which the owner (head) is aged less than 35 years and resides in the dwelling; there are three distinct groups of young owner-occupants:
 - Young singles - non-family households of one or more persons;
 - Young couples - married or unmarried couples without children;
 - Young families - married or unmarried couples with children;
- . Single-parent owner-occupant families - all families, regardless of the age of the head, in which the owner (head) is single (divorced, separated, widowed or never married), and has one child or more residing in the dwelling;
- . Middle-aged owner-occupants - households in which the owner (head) is generally aged 35-54 years and resides in the dwelling; there are two distinct groups of middle-aged owner-occupants:
 - Middle-aged singles and couples - without children;
 - Middle-aged families - married or unmarried couples with one child or more residing in the dwelling; and
- . Empty-nester and elderly owner-occupants - households without children at home in which the owner (head) is aged 55 years or more and resides in the dwelling.

There are, of course, some over-laps in categories; for example: a family with children in which the head is aged 55 years or more would more logically be grouped with middle-aged families than with empty-nester and elderly households. Nonetheless, the eight groupings serve broadly to distinguish groups which will have different motivations and expectations with regard to the possibility of converting their dwelling.

The perceived motivations and expectations are outlined in the following sections for each group. Because each group is generally dealt with as a whole, broad generalizations about their financial circumstances and needs are drawn; this is not to imply that all members of the group will approach the conversion option in the way indicated, it is only intended as a guide to the likely perceptions of typical members of each group.

2.1 Absentee Owners

The motivations and expectations of landlords are probably the simplest of any of the groups to analyse; whether they are individuals or companies, in most cases their paramount motivation will be profit-maximization. Landlords will tend to view conversion in the same light as any other costly endeavour: "will the potential increase in rents and dwelling value be sufficient to offset the outlay required?" There will, of course, be some outlays since the landlords conversion option will likely entail some alterations. If the conversion is perceived to be worthwhile either in terms of net future rent flows or, if it is intended ultimately to sell the property, in terms of increased property value, it will likely be undertaken.

Even in this cold profit-maximization light however, more things than simply cash values must be (and will be) considered by landlords. Perceptions as to the types of tenants which will be attracted to converted units and possible resulting costs through higher turnover rates, damage or non-payment of rent will be an extremely important consideration, especially since most landlords will not be in a position to watch the property on a day-to-day basis. Few landlords would be willing to forego the more stable, if relatively smaller, stream of rent payments for a larger but more uncertain rent stream which might also entail substantial repair costs periodically.

2.2 Young Singles

In general, most home-owners under 35 years will be relatively recent first-time homebuyers. As such, most will be in fairly tight financial circumstances brought on by a combination of:

- . Relatively low incomes - most people in the under 35 age group have not yet reached their peak earnings capacity and, given today's uncertain economic climate, may also be in fear of losing their jobs since generally they will have relatively little seniority;
- . Large mortgage loan amounts - most first-time buyers purchase a relatively modest home but also have only a modest downpayment, therefore their mortgages (and mortgage payments) are relatively large; and
- . High interest rates - the surge in mortgage interest rates, from the 9-12 percent range of the 1970's to current rates of 17 percent plus has resulted in substantially increased mortgage payments both for homepurchasers and for mortgage renewers.

Young singles will be particularly hard hit by these conditions since they have only one income to rely upon. As such, one might expect that young singles would be receptive to conversions, especially the Model 1 type which would not entail substantial initial costs. In fact, in 1981, almost one-quarter of all non-family households in Ontario had two or more occupants - so sharing is already occurring on a significant scale.

This type of conversion might also suit the lifestyles of young singles who often choose to share accommodation not only as a method of offsetting high housing costs but also for companionship.

It might be borne in mind, however, that young singles do not typically own their own home; only about 10 percent of all young non-family households in Ontario in 1981 owned a ground-oriented dwelling. As such, these owners may not resemble the stereotype of young single households: for example, many may have inherited the dwelling or may be sufficiently affluent not to be concerned with the financial problems which a "typical" young single person might face.

2.3 Young Couples

The typical stereotype of the young couples owning their own home is one of relative hardship, especially in today's economic conditions. Generally, following the stereotype, they will be relatively recent first-time homebuyers who will be using both of their incomes to reduce their mortgage debt load prior to the loss of the second income (even if temporarily) upon the arrival of their children. Under these circumstances, most young couples could be expected to welcome the extra money which conversion (or purchase of a converted dwelling) might bring; however, they would, no doubt, not wish to undertake a conversion which might reduce the space available for their future requirements - though with today's trend to smaller families, such space requirements may be less than in the past.

In fact, to examine the motivations and expectations of young homeowner couples with respect to conversion of their dwellings, it is necessary to separate them into two sub-groups:

- . Those who intend to have their children in their current dwelling; and
- . Those who intend either not to have children at all, or to move to another dwelling when the family arrives.

The first group will tend to follow the stereotype outlined above; while attracted to conversion as a means of helping with mortgage payments, they will be reluctant to undertake an expensive conversion for space they may ultimately need for their family.

The second group will not be intending to use their current dwelling to raise a family and, therefore, may be more willing to sacrifice space on a more or less permanent basis in order to supplement their incomes. Couples intending to move may be particularly attracted to the conversion option since, for them, one of the main purposes of purchasing their current dwelling would have been to accumulate equity for the purchase of their family home. For these couples, converting would be viewed as serving the dual purpose of helping to pay off the mortgage and increasing the value of their dwelling.

For couples not intending to have children, the loss of space on a permanent basis may not be a large concern but, on the other hand, these couples may not be as anxious for the extra income either since no one will be leaving the workforce for childbirth. Even with today's trend toward smaller families, however, couples intending to have no children are a distinct minority; only 15 percent of all middle-aged husband-wife families in Ontario in 1981 did not have children at home.

In sum, young couples without children seem likely to view conversion positively - especially in light of current economic conditions and the desire of most homeowners to reduce their mortgage debt. It must be borne in mind, however, that young couples typically rent rather than own, only 38 percent of young couples in Ontario in 1981 owned a ground-oriented dwelling.

2.4 Young Families

Young families also seem most likely to be of two minds with regard to potential conversion of their dwelling. On the one hand, they will be attracted to the possibility of additional income, especially in those cases where one of the spouses has ceased work in order to look after the children; on the other hand, there will be concerns about giving up space needed for their family. The financial concerns seem likely to be very important in the case of many young families, especially in view of the high and volatile interest rates of the past three years. Also, with smaller family sizes, the typical family's need for space may not be as great as it once was. In some cases, conversions may be seen as a short-term option to help overcome current financial circumstances - when more acceptable financial conditions return (for example, if the spouse re-enters the workforce) the dwelling may be deconverted or the family may move.

It seems likely that some young families would look favourably on the possibility of conversion though a major concern would be the maintenance of adequate space for the current and future family needs. An example of one type of conversion which might prove attractive to young families is one in which an elderly relative could live in the dwelling - perhaps to assist in looking after the children while both parents work.

Young families owning their own ground-oriented dwelling comprised 64 percent of all young families in Ontario in 1981.

2.5 Single-Parent Families

From the typical stereotype, it might be expected that relatively few single-parent families own their own home. In fact, 44 percent of all single-parent family households in Ontario in 1981 owned a ground-oriented dwelling; young single-parent households tended to have very low ownership rates (18 percent for families headed by a person aged less than 35 years) while older households had a higher rate (69 percent of family households headed by a person aged 55+ years were owners of ground-oriented dwellings).

The single-parent families that do own their own home are probably not the typical stereotype single-parent families which generally tend to be viewed as low-income families with social problems. Nonetheless, many single-parent families seem likely to be attracted to conversion of their dwellings, not only because of the additional income which might be generated but also for the companionship and support which other occupants (perhaps another single-parent family) might provide. If, on the other hand, the family is well situated financially, or if the parent does not intend to remain single, conversion may be a less attractive option.

Single-parent families, while not comprising a large component of the stock of convertible dwellings seem likely, on the whole, to be attracted to conversion.

2.6 Middle-Aged Singles and Couples

Generally, middle-aged owner-occupants do not have severe financial problems; they typically have owned a dwelling for a considerable period and thus have considerable equity and relatively small (or no) mortgage compared to the value of their dwelling. In addition, they are typically either in or near their peak earning years. Some may have renewed their mortgage recently at substantially greater interest rates than was originally the case, but this is unlikely to impose significant financial hardship on most middle-aged owners. The only significant group of middle-aged owners who might be in financial difficulty are those who have recently upgraded to a higher-priced dwelling, but few of these are likely to consider conversion as a viable option except in the short-term.

While financial problems seem unlikely to push many middle-aged single and couple homeowners into conversion, there are some who might nonetheless find the extra rent a welcome supplement to their income or who might find the companionship an attractive feature of conversion. Many singles and couples could convert their dwellings without necessarily detracting significantly from their privacy or personal living space and would thus obtain an additional income stream which, no doubt, some might find attractive.

2.7 Middle-Aged Families

Few middle-aged owner-occupant families are likely to be in the type of financial difficulty for which conversion would be seen as an answer. Also, since the family would probably require most of the existing dwelling space, conversion would likely be an inappropriate answer to financial problems - downgrading to a less expensive dwelling would probably be a preferred option for most families.

A family's space requirements are generally at their maximum when the head is middle-aged. All the children are living at home and there is likely little available unused space for conversion. This, plus the fact that most middle-aged families are not likely to be under financial pressure, points to the conclusion that there is relatively little likelihood for conversion of

homes occupied by middle-aged families. An exception to this conclusion would be conversion to allow a relative to live in the same dwelling; this might be attractive to some families, especially in circumstances where they could provide support for the family such as babysitting.

Family households with the head aged more than 55 years which still have children at home will likely behave more like middle-aged families than like empty-nester singles and couples; because of this, these households have been included with middle-aged families for the purposes of this analysis. Of all husband-wife family households (with children) in Ontario with heads aged 35 or more years, 84 percent live in their own ground-oriented dwelling.

2.8 Empty-Nesters and the Elderly

A household's space requirements decline when the children grow up and leave home; at the same time incomes generally decline with retirement. "Property rich and income poor" problems afflict many elderly homeowners and, for this reason, conversion appears to be an ideal option for them - conversion will utilize unused space, provide extra income and, in some cases, provide much-needed personal support as well. At the same time, conversion is a means by which the value of the owners' most important capital asset (the dwelling itself) will not be eroded and (of extreme importance to many elderly people) the legacy to be left to their heirs will remain intact - in fact it will likely have increased in value through conversion.

Empty-nesters who have not yet retired will be in a different financial position from the retirees, but they will, nonetheless, be framing most of their decisions with a view to their imminent retirement. Therefore, they will likely tend to regard the prospect of conversion from the same favourable point-of-view as low-income elderly people. The extra income from conversion of the now under-utilized portion of their dwelling could assist in paying off the small remaining mortgage, in financing some needed renovations to make the dwelling more suitable to their changing lifestyle, or in simply adding to the "nest-egg" to be accumulated for the retirement years.

A total of 58 percent of all single and couple households with heads aged 55 or more years in Ontario in 1981 owned their own ground-oriented dwelling.

2.9 In Summary

Summarizing the results of the above: providing that owners' concerns about maintaining privacy can be satisfied, and assuming that the returns from conversion justify the initial conversion expenses, the following owner-occupied groups can be expected to be attracted to conversion:

- . Empty-nesters and the elderly;
- . Young singles;
- . Young couples owning a home which they intend to sell if they have a family;
- . Single-parent families; and
- . Middle-aged singles and couples.

In most cases, it will likely be the low to middle income segments of these groups which will be attracted to the potential extra income from conversion - though some social benefits will be perceived as well. Similarly, some low-income families and couples who intend to raise a family in their current dwelling may be attracted to conversion though their family circumstances do not generally appear to be conducive to ceding space to a tenant.

Absentee owners (landlords) will be attracted to conversion only if they perceive that their net revenues will increase. This perception entails judgements not only of costs and increased rents, but also of the type of tenant which will be attracted in general; at present, it appears that this perception is not likely to be positive.

3.0 THE OWNERS OF THE CONVERTIBLE STOCK

3.1 Ontario

Special tabulations obtained from the 1981 Census of Canada indicate that there were a total of just over 2 million single-detached, semi-detached and row dwellings in Ontario in 1981. Of these, almost 1.5 million were located in urban centres of 10,000 population and over. The largest group of owners of this potentially convertible urban stock are families with children - this group accounts for over half the urban stock (764,100 units). The next largest group are the empty-nesters and elderly (273,500 units) and absentee owners (211,000 units). Together, these groups account for 82 percent of the urban convertible housing stock.

Referring to the groups which were identified as being potentially most attracted to conversion of their dwelling, it is clear that the largest potential group is the empty-nester and the elderly group; most of the other groups account for only a relatively small proportion of the convertible stock:

- . Empty-nesters and the elderly own 273,500 units or 19.1 percent of the urban convertible stock;
- . Young singles own 18,200 units or 1.3 percent of the stock;
- . Young couples (in total) own 56,700 units or 4.0 percent of the stock - but many of these will be intending to raise their family in their current dwelling and thus will be less attracted to conversion;
- . Single-parent families own 75,200 units or 5.3 percent of the convertible stock; and
- . Middle-aged singles and couples own 82,800 units or 5.8 percent of the convertible stock.

In all, the groups identified as being potentially attracted to conversion own 506,400 units or 35.5 percent of the convertible stock.

There is a group in the table which is not covered in the outline of groups provided in Section 2.0: multiple family households. These households are already living in a Model 1 type of conversion - i.e., they have altered a ground-oriented dwelling for use by two or more families. These types of households account for only 24,500 units or 1.7 percent of the convertible stock. It should be noted that these multiple family households cover only

Table 3.0: Owners Of Convertible Housing Stock
Ontario, 1981*

	<u>000's of Dwelling Units</u>		<u>Percent Distribution</u>	
	<u>Urban Centres 10,000+</u>	<u>All Ontario</u>	<u>Urban Centres 10,000+</u>	<u>All Ontario</u>
Absentee Owners	211.0	302.0	14.7	14.7
Young Owner- Occupants, Less Than 35 Years				
- Singles	18.2	25.3	1.3	1.2
- Couples	56.7	78.3	4.0	3.8
- Families (with children)	162.2	243.2	11.3	11.8
Total Young Owner- Occupants	237.1	346.8	16.6	16.8
Single-Parent Owner Families	75.2	102.7	5.3	5.0
Middle-Aged Owner- Occupants				
- Singles & Couples (35-54 Years with no children)	82.8	119.5	5.8	5.8
- Families (with children)				
- 35-54 years	421.9	585.7	29.5	28.4
- 55+ years	104.8	145.9	7.3	7.1
Empty-Nester Owners 55+ Years Singles and Couples (with no children)	273.5	427.7	19.1	20.7
Multiple-Family Owners	24.5	30.1	1.7	1.5
Total Owners	1,430.8	2,060.6	100.0	100.0

* Includes all occupied single-detached, semi-detached and row dwellings.

Source: Special tabulations from 1981 Census of Canada.

those households with two or more families.¹ Families with non-family persons (boarders etc.) as part of their household are not distinguished separately in Table 3.0.

3.2 Case Study Area

There are some dramatic differences among the owner profiles of convertible housing stock in the six case study areas selected for this study.

Highlights of Table 3.1 are as presented below:

- . Absentee owners account for over one-quarter of the convertible stock in Ottawa and Kingston - a very high proportion compared to the Urban Ontario average. North York and Hamilton have very low proportions of absentee owners.
- . Families (couples) with children account for a very small proportion of the convertible stock in Toronto (35.7 percent) Ottawa (35.4 percent) and Kingston (32.8 percent); whereas in North York (52.2 percent) they account for a relatively large proportion. For Urban Ontario as whole, they account for 48.1 percent of the stock.
- . In Woodstock and Kingston, empty-nesters and the elderly account for over one-quarter of the convertible stock.
- . The groups identified earlier as being potentially attracted to conversion of their dwellings account for the following proportion of the total convertible stock:
 - Toronto: 39.4 percent
 - North York: 32.7 percent
 - Hamilton: 39.3 percent
 - Ottawa: 34.8 percent
 - Kingston: 35.4 percent
 - Woodstock: 39.1 percent
 - Urban Ontario: 35.5 percent

¹ The Census defines family as "a household and a wife (with or without children who have never married, regardless of age) or a lone parent, regardless of marital status, with one or more children (who have never married, regardless of age) living in the same dwelling". According to the Census, non-family persons are "not members of a census family. They may be related to the household head (e.g., brother-in-law, cousin) or unrelated (lodger, employee)".

Table 3.1: Percentage Distribution Of Ownership Of The Convertible Housing Stock, Ontario, 1981* (Percent)

	<u>Toronto</u>	<u>North York</u>	<u>Hamilton</u>	<u>Ottawa</u>	<u>King- ston</u>	<u>Wood- stock</u>	<u>Total Study Area</u>	<u>Urban Ontario</u>
Absentee Owners	21.1	11.7	13.9	28.9	25.4	17.6	18.4	14.7
Young Owner- Occupants, Less Than 35 Years								
- Singles	2.5	0.7	1.2	1.2	0.9	1.3	1.5	1.3
- Couples	3.6	2.5	3.7	3.0	2.7	2.7	3.1	4.0
- Families (with children)	6.4	6.6	11.0	5.7	6.4	13.5	7.4	11.3
Total	<u>12.5</u>	<u>9.8</u>	<u>15.9</u>	<u>9.9</u>	<u>10.0</u>	<u>17.5</u>	<u>12.0</u>	<u>16.6</u>
Single-Parent Owner Families	6.3	5.4	5.4	5.4	5.5	4.0	5.7	5.3
Middle-Aged Owner-Occupants								
- Singles & Couples (35-54 Years with no children)	6.8	5.1	5.6	5.6	6.4	5.4	5.9	5.8
- Families (with children)								
- 35-54 years	21.7	34.3	26.0	21.5	19.1	23.0	25.9	29.5
- 55+ years	7.6	11.3	8.4	8.2	7.3	5.4	8.8	7.3
Empty-Nester Owners 55+ Years Singles and Couples (no children)	20.2	19.0	23.4	19.6	25.4	25.7	20.7	19.1
Multiple-Family Owners	<u>3.8</u>	<u>3.4</u>	<u>1.4</u>	<u>0.9</u>	<u>0.9</u>	<u>1.4</u>	<u>2.6</u>	<u>1.7</u>
Total Owners	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Includes all occupied single-detached, semi-detached and row dwellings.

Source: Special tabulations from 1981 Census of Canada.

APPENDIX
TABLES

Appendix Table A-1
Characteristics Of Owners Of The Convertible Housing Stock, 1981 (000's)*

	Toronto	North York	Hamil- ton	Ottawa	Kings- ton	Wood- stock	Total Study Areas	Urban Ontario	Ontario
Absentee Owners	23.5	11.5	9.7	16.6	2.8	1.3	65.4	211.0	302.2
Young Owner- Occupants, Less Than 35 Years									
- Singles	2.8	0.7	0.8	0.7	0.1	0.1	5.2	18.2	25.3
- Couples	4.0	2.4	2.6	1.7	0.3	0.2	11.2	56.7	78.3
- Families (with children)	7.1	6.5	7.7	3.3	0.7	1.0	26.3	162.2	243.2
Total	<u>13.9</u>	<u>9.6</u>	<u>11.1</u>	<u>5.7</u>	<u>1.1</u>	<u>1.3</u>	<u>42.7</u>	<u>237.1</u>	<u>346.8</u>
Single-Parent Owner Families	7.0	5.3	3.8	3.1	0.6	0.3	20.1	75.2	102.7
Middle-Aged Owner-Occupants									
- Singles & Couples (35-54 Years with no children)	7.6	5.0	3.9	3.2	0.7	0.4	20.8	82.8	119.5
- Families (with children)									
- 35-54 years	24.2	33.6	18.2	12.4	2.1	1.7	92.2	421.9	585.7
- 55+ years	8.5	11.1	5.9	4.7	0.8	0.4	31.4	104.8	145.9
Empty-Nester Owners 55+ Years Singles and Couples (with no children)	22.5	18.6	16.4	11.3	2.8	1.9	73.5	273.5	427.7
Multiple-Family Owners	<u>4.3</u>	<u>3.3</u>	<u>1.0</u>	<u>0.5</u>	<u>0.1</u>	<u>0.1</u>	<u>9.3</u>	<u>24.5</u>	<u>30.1</u>
Total Owners	111.5	98.0	70.0	57.5	11.0	7.4	355.4	1,430.8	2,060.6

* Includes all occupied single-detached, semi-detached and row dwellings.

Source: Special tabulations from 1981 Census of Canada.

Appendix Table A-2
Owners Of The Convertible Housing Stock As A Percentage Of Total Households In
Each Group 1981 (Percent)*

	<u>Toronto</u>	<u>Nor-th York</u>	<u>Hamil- ton</u>	<u>Ottawa</u>	<u>Kings- ton</u>	<u>Wood- stock</u>	<u>Study Areas</u>	<u>Urban Ontario</u>	<u>Ontario</u>
Young Owner- Occupants, Less Than 35 Years									
- Singles	6.1	4.4	7.3	3.3	2.9	14.3	5.3	8.3	10.3
- Couples	23.5	18.6	33.8	17.9	20.0	33.3	22.8	34.6	38.2
- Families (with children)	47.7	35.5	62.1	40.2	43.8	76.9	46.4	60.9	63.6
Total	<u>17.8</u>	<u>20.4</u>	<u>35.8</u>	<u>14.7</u>	<u>16.7</u>	<u>50.0</u>	<u>20.9</u>	<u>36.5</u>	<u>41.6</u>
Single-Parent Family Households	38.3	29.0	36.5	28.2	27.3	37.5	33.0	39.5	44.0
Middle-Aged Households									
- Singles & Couples (35-54 Years with no children)	21.9	29.6	38.6	23.9	35.0	66.7	26.8	40.1	46.7
- Families (with children)									
- 35-54 years	72.0	71.0	82.7	68.1	72.4	85.0	73.2	81.8	83.3
- 55+ years	77.3	79.3	85.5	72.3	80.0	80.0	78.7	83.6	85.5
Empty-Nester House- holds 55+ Years Singles and Couples (with no children)	37.4	43.5	50.9	34.1	42.4	61.3	41.3	50.8	58.2
Multiple-Family Households	<u>75.4</u>	<u>75.0</u>	<u>76.9</u>	<u>71.4</u>	<u>100.0</u>	<u>100.0</u>	<u>75.6</u>	<u>78.3</u>	<u>79.2</u>
Total Households	46.2	51.4	61.5	47.2	51.4	76.3	50.9	63.4	69.4

Source: Special tabulations from 1981 Census of Canada.

Appendix Table A-3
Characteristics Of Total Owner Households, 1981 (000's)*

	<u>Toronto</u>	<u>North York</u>	<u>Hamil- ton</u>	<u>Ottawa</u>	<u>Kings- ton</u>	<u>Wood- stock</u>	<u>Study Areas</u>	<u>Urban Ontario</u>	<u>Ontario</u>
Young Owner- Occupants, Less Than 35 Years									
- Singles	3.6	1.4	1.0	1.3	0.2	0.1	7.6	23.7	31.9
- Couples	4.4	3.0	2.8	2.0	0.3	0.3	12.8	61.3	84.7
- Families (with children)	7.6	7.5	8.0	3.6	0.7	0.9	28.3	169.3	255.6
Total	<u>15.6</u>	<u>11.9</u>	<u>11.8</u>	<u>6.9</u>	<u>1.2</u>	<u>1.3</u>	<u>48.7</u>	<u>254.3</u>	<u>372.2</u>
Single-Parent Family Households	7.6	6.4	4.1	3.5	0.7	0.4	22.7	82.3	111.4
Middle-Aged Households									
- Singles & Couples (35-54 Years with no children)	9.7	7.2	4.4	4.4	0.8	0.4	26.9	97.8	137.5
- Families (with children)									
- 35-54 years	25.8	36.0	18.8	13.2	2.2	1.7	97.7	437.5	606.8
- 55+ years	9.1	11.8	6.1	5.1	0.8	0.4	33.3	109.5	151.8
Empty-Nester House- holds 55+ Years Singles and Couples (with no children)	25.9	22.2	17.9	14.0	3.3	2.1	85.4	305.3	467.7
Multiple-Family Households	<u>4.6</u>	<u>3.5</u>	<u>1.1</u>	<u>0.5</u>	<u>0.5</u>	<u>0.1</u>	<u>9.9</u>	<u>25.8</u>	<u>31.6</u>
Total Households	98.3	99.0	64.2	47.6	9.1	6.4	324.6	1,312.5	1,879.0

Source: Special tabulations from 1981 Census of Canada.

Appendix Table A-4
Characteristics Of Total Renter Households, 1981 (000's)*

	<u>Toronto</u>	<u>North York</u>	<u>Hamil- ton</u>	<u>Ottawa</u>	<u>Kings- ton</u>	<u>Wood- stock</u>	<u>Study Areas</u>	<u>Urban Ontario</u>	<u>Ontario</u>
Young Owner- Occupants, Less Than 35 Years									
- Singles	42.6	14.4	9.9	19.8	3.3	0.6	90.4	195.7	213.5
- Couples	12.6	9.9	4.9	7.5	1.2	0.3	36.4	102.4	120.4
- Families (with children)	7.3	10.8	4.4	4.6	0.9	0.4	28.4	97.1	126.7
Total	<u>62.3</u>	<u>35.1</u>	<u>19.2</u>	<u>31.9</u>	<u>5.4</u>	<u>1.3</u>	<u>155.2</u>	<u>395.2</u>	<u>460.6</u>
Single-Parent Family Households	10.7	11.9	6.3	7.5	1.5	0.4	38.3	108.1	122.1
Middle-Aged Households									
- Singles & Couples (35-54 Years with no children)	25.0	9.7	5.7	9.0	1.2	0.2	50.8	108.5	118.6
- Families (with children)									
- 35-54 years	7.8	11.3	3.2	5.0	0.7	0.3	28.3	78.3	96.6
- 55+ years	1.9	2.2	0.8	1.4	0.2	0.1	6.6	15.8	18.9
Empty-Nester House- holds 55+ Years Singles and Couples (with no children)	34.2	20.6	14.3	19.1	3.3	1.0	92.5	232.8	267.6
Multiple-Family Households	<u>1.1</u>	<u>0.9</u>	<u>0.2</u>	<u>0.2</u>	<u>0.0</u>	<u>0.0</u>	<u>2.4</u>	<u>5.5</u>	<u>6.4</u>
Total Households	143.0	91.7	49.7	74.1	12.3	3.3	374.1	944.2	1,090.8

Source: Special tabulations from 1981 Census of Canada.

Appendix Table A-5
Characteristics Of Total Households, 1981 (000's)*

	<u>Toronto</u>	<u>North York</u>	<u>Hamil- ton</u>	<u>Ottawa</u>	<u>Kings- ton</u>	<u>Wood- stock</u>	<u>Study Areas</u>	<u>Urban Ontario</u>	<u>Ontario</u>
Young Owner-Occupants, Less Than 35 Years									
- Singles	46.0	15.8	10.9	21.1	3.5	0.7	98.0	219.4	245.4
- Couples	17.0	12.9	7.7	9.5	1.5	0.6	49.2	163.7	205.1
- Families (with children)	<u>14.9</u>	<u>18.3</u>	<u>12.4</u>	<u>8.2</u>	<u>1.6</u>	<u>1.3</u>	<u>56.7</u>	<u>266.4</u>	<u>382.3</u>
Total	<u>77.9</u>	<u>47.0</u>	<u>31.0</u>	<u>38.8</u>	<u>6.6</u>	<u>2.6</u>	<u>203.9</u>	<u>649.5</u>	<u>832.8</u>
Single-Parent Family Households	18.3	18.3	10.4	11.0	2.2	0.8	61.0	190.4	233.5
Middle-Aged Households									
- Singles & Couples (35-54 Years with no children)	34.7	16.9	10.1	13.4	2.0	0.6	77.7	206.3	256.1
- Families (with children)									
- 35-54 years	33.6	47.3	22.0	18.2	2.9	2.0	126.0	515.8	703.4
- 55+ years	11.0	14.0	6.9	6.5	1.0	0.5	39.9	125.3	170.7
Empty-Nester Households 55+ Years Singles and Couples (with no children)	60.1	42.8	32.2	33.1	6.6	3.1	177.9	538.1	735.3
Multiple-Family Households	<u>5.7</u>	<u>4.4</u>	<u>1.3</u>	<u>0.7</u>	<u>0.1</u>	<u>0.1</u>	<u>12.3</u>	<u>31.3</u>	<u>38.0</u>
Total Households	241.3	190.7	113.9	121.7	21.4	9.7	698.7	2,256.7	2,969.8

Source: Special tabulations from 1981 Census of Canada.

Appendix Table A-6
Percentage Distribution Of Total Households, 1981 (Percent)

	<u>Toronto</u>	<u>North York</u>	<u>Hamil- ton</u>	<u>Ottawa</u>	<u>Kings- ton</u>	<u>Wood- stock</u>	<u>Study Areas</u>	<u>Urban Ontario</u>	<u>Ontario</u>
Young Owner- Occupants, Less Than 35 Years									
- Singles	19.1	8.3	9.6	17.4	16.3	7.2	14.0	9.7	8.2
- Couples	7.0	6.8	6.7	7.8	7.0	6.2	7.1	7.3	6.9
- Families (with children)	6.2	9.6	10.9	6.7	7.5	13.4	8.1	11.8	12.9
Total	<u>32.3</u>	<u>24.7</u>	<u>27.2</u>	<u>31.9</u>	<u>30.8</u>	<u>26.8</u>	<u>29.2</u>	<u>28.8</u>	<u>28.0</u>
Single-Parent Family Households	7.6	9.6	9.1	9.0	10.3	8.2	8.7	8.4	7.9
Middle-Aged Households									
- Singles & Couples (35-54 Years with no children)	14.4	8.9	8.9	11.0	9.3	6.2	11.1	9.1	8.6
- Families (with children)									
- 35-54 years	13.9	24.8	19.3	15.0	13.6	20.6	18.0	22.9	23.7
- 55+ years	4.6	7.3	6.1	5.3	4.7	5.2	5.7	5.6	5.7
Empty-Nester House- holds 55+ Years Singles and Couples with no children	24.9	22.4	28.3	27.2	30.8	32.0	25.5	23.8	24.8
Multiple-Family Households	<u>2.3</u>	<u>2.3</u>	<u>1.1</u>	<u>0.6</u>	<u>0.5</u>	<u>1.0</u>	<u>1.8</u>	<u>1.4</u>	<u>1.3</u>
Total Households	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Special tabulations from 1981 Census of Canada.

PART 3.3.2

THE ATTITUDES & WILLINGNESS OF HOMEOWNERS TO UNDERTAKE CONVERSIONS

Prepared by:
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3.3.2 THE ATTITUDES & WILLINGNESS OF HOMEOWNERS TO UNDERTAKE CONVERSION

1.0 EXECUTIVE SUMMARY

1.1 Introduction

Conversion of space in houses is starting to be recognized by municipalities and other levels of government as an important source of supply of rental accommodation. Conversion is generally seen as having a number of advantages over other forms of rental housing, not the least of which is the relatively minimal disruption of residential areas in which conversion takes place. This is particularly the case when conversion occurs in owner-occupied dwellings as opposed to the complete conversion of houses by absentee-landlords.

If the potential of conversion, especially conversion by homeowners, to augment the supply of rental accommodation is to be realized, the process must be better understood. Certainly, much is already known about conversion after the fact, its effect on residential neighbourhoods and advantages and disadvantages in comparison to other forms of rental accommodation. Relatively little is known, however, about the process from the viewpoint of actively promoting and encouraging homeowners to convert or rent out space in their homes.

The objective of this study is to provide some insight to the opportunities and constraints in encouraging homeowners to become landlords. Of specific interest are factors involved in persuading homeowners to supply rental accommodation by either renting out rooms or converting space into self-contained apartments in their homes. Homeowners in three Ontario municipalities were interviewed in order to provide information for this study; i.e.,

- . Toronto, an older urban area;
- . North York, a more suburban area;
- . Kingston, a smaller Ontario municipality.

In Toronto and North York, the study was conducted in two stages:

- . a screening questionnaire was administered by telephone to 512 homeowners who were not landlords, in order to establish general household and dwelling unit characteristics and attitudes toward renting out space in one's house;
- . a telephone follow-up questionnaire was administered to 194 homeowners from the original respondents in order to more fully investigate opportunities and constraints in encouraging homeowners to supply rental accommodation.

In Kingston, 102 homeowners were interviewed by telephone using a questionnaire which combined the questions used on the Toronto and North York screening and follow-up questionnaire.

1.1.1 Homeowner Types

Homeowners in each of the municipalities were initially classified in terms of four major household types in order to provide a more generalized basis for the interpretation of the study results; i.e.,

- . recent buyers - homeowners who had purchased their present house within the last 5 years or so. These households were, for the most part, in their mid to late 30's, with an average household size of 2 persons. Recent buyers in Toronto tended to have higher incomes and be somewhat older than recent buyers in Kingston. Almost all households in this group had mortgages on their homes.
- . mature families - this group of homeowners tend to be in their late 40's. Most had lived in their homes for about 10 years. Most were also family households with children. Average household income was generally less than incomes of recent buyers in Toronto and North York. In Kingston, little difference in incomes between recent buyers and mature families was evident. Only about 1/2 to 2/3 of the mature family households had mortgages on their homes.
- . empty-nesters - homeowners in this group tended to be elderly couples in their late 50's or early 60's who had lived in their present homes for around 20 to 25 years. Incomes of these households was generally less than for the previous two groups in Toronto and North York. In Kingston, however, incomes tended to be higher.
- . seniors - these were mostly one or two person households well into their 70's. The average length of residency for seniors in Toronto was considerably longer than in Kingston (46 years vs. 23 years, respectively). Incomes were, in general, quite low.

The occurrence of these household types varied somewhat amongst municipalities. Toronto tended to have more recent buyers and fewer mature families than North York. Kingston was somewhere in between, but had fewer empty nester households than the larger centres; i.e.,

<u>Household Type</u>	<u>Municipality</u>		
	<u>Toronto</u>	<u>North York</u>	<u>Kingston</u>
Recent buyers	36%	19%	37%
Mature families	30	58	41
Empty nesters	25	23	13
Seniors	9	0	9
	100%	100%	100%

Hardly any seniors were found in North York.

1.1.2 Supply Potential

In Toronto and North York, homeowners from each of the four household types were selected for the follow-up survey. Homeowners who were re-interviewed were ones thought to be more likely to consider converting or renting out rooms on the basis of perceived advantages in renting out, and the perceived disadvantages of dwelling unit size. In Kingston, all homeowners were questioned as to whether or not they would consider becoming landlords.

Basically, two questions were asked of homeowners in order to assess the likelihood of their renting out space in their homes: whether they would ever consider renting out a room and whether they would ever consider converting part of their houses into a self-contained apartment with its own kitchen and bath. Response to these questions varied little amongst the municipalities; i.e.,

- . consider renting out room
 - (1) yes 9-11%
 - (2) maybe/dont' know 5-10%
 - (3) no 81-84%
- . consider converting
 - (1) yes 5- 6%
 - (2) maybe/don't know 2- 3%
 - (3) no 92%

Approximately twice as many homeowners would consider renting out just a room than converting space into an apartment. About 1/2 of those who would consider renting a room would, however, also consider converting. This relationship tended to hold across municipalities, but in Toronto and North York, homeowners who would consider both renting a room and converting would prefer to convert. In Kingston, however, these homeowners are more likely to prefer renting just a room because of the cost of converting. Generally, homeowners who prefer to just rent a room tend to be older than potential converters. It is understandable that for these households, the expense and bother of converting space in their homes would be a more onerous undertaking than for younger households.

If one considers the potential supply of rental accommodation as consisting of homeowners who would consider renting or converting, then considerable supply potential exists. Approximately 12% of the homeowners interviewed in Toronto, North York and Kingston would consider becoming landlords. Although this proportion did not vary substantially amongst the municipalities, some difference was evident in terms of the types of households who would consider renting or converting; i.e.,

Homeowners who would consider renting a room or converting

<u>Household Type</u>	<u>Municipality</u>	
	<u>Toronto and North York</u>	<u>Kingston</u>
Recent buyers	42%	38%
Mature families	13	34
Empty nesters	38	28
Seniors	8	0
	100%	100%

Potential suppliers of rental accommodation in North York and Toronto were more likely to be either recent buyers or empty nester households. In Kingston, these two household types were also likely to be represented amongst potential suppliers and also mature family households, which was not the case in Toronto and North York. Very few senior households were found amongst the potential supply groups in any of the municipalities, due in part to the fact that senior households constituted only a small proportion of the households in these municipalities.

1.2 Supply Characteristics

There would appear to be two major reasons why a homeowner would consider renting out space in his home--financial reasons, in terms of the revenue resulting from renting out space, and the availability of space in the home. The major reasons for not considering renting out space are an unwillingness to give up one's privacy and a lack of rentable space in the house.

These reasons tend to be supported by some of the differences in household characteristics between those who would consider renting and converting, and those who would not. Homeowners who fall into the potential supplier group are more likely to have rooms in their houses that are hardly ever used. They are also more likely, especially in Toronto and North York, to be experiencing difficulty in meeting their mortgage payments. To some extent, more so in Kingston than in Toronto and North York, homeowners who would consider renting out were more likely to be living on streets where some conversions were taking place; i.e.,

<u>Household Characteristics</u>	<u>Consider</u>		<u>Renting</u>	<u>Out</u>
	<u>Toronto and North York</u>			<u>Kingston</u>
	<u>Yes</u>	<u>No</u>		<u>Yes</u> <u>No</u>
Unused rooms	45%	33%		50% 21%
Difficulty with mortgage	50	22		11 8
Conversions on street	43	38		42 19

Other household characteristics were generally less useful in distinguishing potential landlords from other households. Potential landlords in Toronto and North York tended to be either younger households who had purchased their homes within the last 5 years, or older households who had been living in their homes for over 20 years; i.e., either recent buyers or empty nesters. In Kingston, potential landlords tended to fall somewhere between these two extremes. Households who would consider renting out in Kingston were mostly family households with children. The average age of household heads in this group was 46 years, suggesting that extra space would become available in these households in the near future when children move out.

1.2.1 Rental Unit Characteristics

Homeowners who would or might consider renting out a room in their house would, by and large, consider renting out only a single room. This is true in Toronto and North York, as well as in Kingston. A difference between these municipalities is, however, the location of that room in the house. Judging from where unused rooms are located in the house, homeowners in Toronto and North York would most likely rent out upper floor rooms; homeowners in Kingston would more likely rent out rooms in the basement.

Another difference between municipalities was the provision of parking for tenants. Parking would appear to be much less of a problem in Kingston, where all potential landlords could provide either off-street or on-street parking. In Toronto, 1/3 of homeowners who would or might consider renting a room could not provide any parking.

In terms of who potential landlords would consider renting to, considerable similarity existed amongst municipalities. The most important tenant traits mentioned by homeowners were good character, trustworthiness, and compatibility with the host household. Younger tenants were generally preferred to elderly tenants. Whether tenants were male or female did not make a substantial difference.

Many of the potential landlord groups, especially in Kingston, had no idea of how much rent they could get for a room in their house. The average estimated rent in Toronto and North York was \$174. a month; in Kingston, \$117. a month.

Only about half as many homeowners would consider converting space in their houses into self-contained apartments as would consider renting out a room. Converting is a much more expensive undertaking and it is understandable that fewer households, especially elderly households, would want to incur such expenses and the associated risks. Evident from the cost estimates of converting given by those homeowners who would or might consider this, is that most homeowners severely underestimate the cost. In Toronto and North York, average cost estimates were \$5,800. and in Kingston, homeowners estimated the cost to be around \$7,400. Unless most of the conversion work has already been done, the cost estimates provided by homeowners are probably under by about 50%.

Financing of conversion costs would, for most homeowners, come from either savings or a loan. In Toronto and North York, homeowners were more likely to consider having a contractor do the work than in Kingston, where about 1/2 the homeowners would likely do the work themselves.

Most homeowners who would or might consider converting would convert basement space into an apartment. Parking and use of the backyard would be provided by most potential landlords. Single persons of any age, and childless couples were the preferred tenant types in Toronto, North York and Kingston. Children, single parents, and couples of the same sex were preferred by only a minority of potential landlords. The average rents expected for these apartments were \$427. a month in Toronto and North York and \$257. a month in Kingston.

1.3 Implications

A major reason for choosing to investigate the conversion potential in three Ontario municipalities was to see if major differences existed amongst various types of municipalities. Overall, the proportion of homeowners who would consider renting out space did not vary significantly amongst the municipalities. About 10% of the households in Toronto, North York and Kingston would consider becoming landlords. Differences in propensity to rent out were more a function of household type than specific municipality. In each of the municipalities, the likelihood that households of a particular household type would either consider renting out a room or converting space into an apartment was as follows:

Likelihood of renting out

<u>Household Type</u>	<u>Municipality</u>	
	<u>Toronto and North York</u>	<u>Kingston</u>
Recent buyers	12%	11%
Mature families	7	10
Empty nesters	16	8
Seniors	14	0

In Toronto and North York, mature families were less likely to consider renting out than other household types and, in Kingston, senior households were not at all likely to consider renting out. When likelihood of renting out is weighted by the proportionate distribution of the household types in each municipality, it is apparent that the overall similarity in likelihood of renting out is largely due to differences in types of households in each municipality; i.e.,

Proportion of households who would consider renting out

<u>Household Type</u>	<u>Municipality</u>		
	<u>Toronto</u>	<u>North York</u>	<u>Kingston</u>
Recent buyers	4%	2%	4%
Mature families	2	4	4
Empty nesters	4	4	2
Seniors	1	0	0

In Toronto, most of the supply potential of converted units is likely to be from recent buyers and empty nesters due in part to the fact that these household types are more likely to consider renting out and also because there are relatively fewer mature family households.

In North York, most of the supply potential is likely to come from mature families and empty nesters due to the predominance of mature family households and fewer recent buyer households in North York. In Kingston, there are relatively fewer empty nester households and more recent buyer and mature family households. This in part explains why most of the potential supply is likely to come from the latter two household types in this municipality.

Most homeowners who would consider converting part of their house into an apartment would also consider renting out a room. However, only about half the homeowners who would consider renting a room would consider converting. Homeowners who would consider just renting a room tend to be older households, so it is somewhat doubtful whether such households could be persuaded to undertake the risk and expense involved in conversion.

Cost of conversion is a constraint recognized by many homeowners who would consider converting, even though the actual costs are probably underestimated by these potential landlords. It would appear that if the supply of rental accommodation by conversion is to be encouraged, some form of government financial assistance is required along with revisions to building codes and regulations.

The potential supply of additional rental accommodation that could be supplied through conversion and renting of rooms is quite substantial. If homeowners get the type of tenants they prefer, the rental supply for single persons and couples would be considerably increased. The type of accommodation that could be provided would, in most cases, be at lower rents than other forms of rental housing, but most of the potential apartments that would be created through conversion would be basement suites. Whether or not other amenities of living in a house, or lower rental costs can overcome the generally perceived disadvantages of basement suites should be very much a concern in promoting this type of rental accommodation. This possible drawback of conversions by homeowners is investigated in a subsequent report.

2.0 PART ONE: TORONTO AND NORTH YORK HOMEOWNERS

The results of Toronto and North York homeowners' part of the study are based on information obtained from a randomly selected sample of homeowners in Toronto and North York. Homeowners included in the sample were not renting out part of their homes at the time of the study. Information was collected in two stages:

- . a screening questionnaire administered by telephone to 512 homeowners in order to establish general household and dwelling unit characteristics and attitudes toward renting out part of their homes;
- . a telephone follow-up questionnaire administered to 194 homeowners from the original sample in order to more fully investigate opportunities and constraints in supplying new rental accommodation.

2.1 Homeowner Types

The analysis of the screening questionnaire resulted in the identification of 8 homogeneous groups of homeowners based on the following factors:

- . household characteristics: i.e., length of residency, age of household head, household income, mortgage payments;
- . concerns about loss of privacy in renting out part of their homes;
- . concerns about loss of space in renting out part of their homes;
- . concerns about potential tenant problems in renting out part of their homes;
- . size of homes, particularly the number of storeys.

These 8 groups were more or less representative of four major household types; i.e.,

Recent Buyers (29%)

- . there are two groups of recent buyers, distinguished primarily by their household characteristics and attitudes toward renting out

Characteristics	Group One (20%)	Group Two (9%)
. average length of residency	3.7 years	4.8 years
. average age of household head	37 years	39 years
. median household income	\$44,000.	\$40,000.
. median household size	2.7 persons	3.1 persons
. mortgage on house (yes)	93%	81%
. number of storeys - 1	14%	30%
- 1-1/2	10%	7%
- 2 or more	76%	63%
. disadvantages in renting out (yes)	100%	100%
- loss of privacy	100%	0%
- loss of space	9%	91%
- potential tenant problems	13%	7%

Both groups tend to consist of recent purchasers of older homes (average age of unit 44 years). Slightly over 1/3 (36%) of group two households are aware of conversions on their street and 43% of group one households noted the same. While both groups tend to see a financial advantage in renting out part of one's home, the major difference between the two groups is the perceived disadvantage in renting out. Loss of privacy is the major concern of group one households and loss of space the major concern of group two.

Mature Families (44%)

- . three groups, on the basis of age and household size, can be considered as representative of mature family households

Characteristics	Group One (17%)	Group Two (15%)	Group Three (12%)
. average length of residency	8.5 years	13.4 years	9.9 years
. average age of household head	49 years	51 years	49 years
. median household income	\$35,000.	\$26,000.	\$36,000.
. median household size	3.2 persons	3.0 persons	3.2 persons
. mortgage on house (yes)	62%	42%	54%
. number of storeys - 1	40%	45%	41%
- 1-1/2	14%	5%	9%
- 2 or more	45%	50%	61%
. disadvantages in renting out (yes)	100%	0%	98%
- loss of privacy	100%	0%	0%
- loss of space	8%	0%	0%
- potential tenant problems	11%	0%	49%

Major differences amongst the three groups of mature family households are the perceived disadvantages of renting out. Group one households are mostly concerned about the loss of privacy and about half of group three households fear potential tenant problems. Group two households mentioned no particular disadvantages, but only 22% of these households saw any advantage in renting out as compared to 45% and 40% for groups one and three respectively. Only 7% to 9% of mature family households knew of converted units or rooms being rented out on their streets.

Empty Nesters (25%)

- . two empty nester household groups were identified in the analysis. Differences between the two groups were in household income and perceived disadvantages in renting out.

<u>Characteristics</u>	<u>Group One (10%)</u>	<u>Group Two (15%)</u>
. average length of residency	25.1 years	21.3 years
. average age of household head	64 years	59 years
. median household income	\$25,000.	\$32,000.
. median household size	2.0 persons	2.0 persons
. mortgage on house (yes)	0%	0%
. number of storeys - 1	35%	28%
- 1-1/2	12%	13%
- 2 or more	53%	58%
. disadvantages in renting out (yes)	100%	100%
- loss of privacy	0%	100%
- loss of space	48%	8%
- potential tenant problems	39%	11%

Group one of the empty nester households contains considerably more retired homeowners which accounts for the differences in household incomes. The major disadvantages perceived by group one in renting out part of one's house are the loss of space and potential tenant problems. Group two is primarily concerned about loss of privacy. In both groups, about one in five households are aware of conversions and rooms being rented on their street.

Seniors (5%)

- . the smallest of all household types were elderly homeowners living by themselves. Only one group was found in this household type.

Characteristics

. average length of residency	46.3 years
. average age of household head	74 years
. median household income	\$15,000.
. median household size	1.1 persons
. mortgage on house (yes)	0%
. number of storeys - 1	17%
- 1-1/2	25%
- 2 or more	59%
. disadvantages in renting out (yes)	91%
- loss of privacy	86%
- loss of space	24%
- potential tenant problems	19%

Households in this group consisted mostly of elderly widows living on pensions. Loss of privacy was seen as the major disadvantage in renting out part of their homes by this group; 38% knew of houses on their street where space was being rented.

2.2 Selection for Follow-up

A number of questions were asked on the screening questionnaire to probe respondents' attitudes toward renting out part of their house. Respondents were asked whether they had ever considered renting out part of their home. In total, only 8% had ever considered this. Responses did not vary substantially amongst homeowner types, i.e.,

		<u>Ever Considered Renting Out (yes)</u>	
<u>Recent Buyers:</u>	group one	12%	12%
	group two	9%	
<u>Mature Families:</u>	group one	2%	
	group two	7%	6%
	group three	9%	
<u>Empty Nesters:</u>	group one	8%	7%
	group two	7%	
<u>Seniors:</u>		8%	

Least likely to have ever considered renting out were mature families who value their privacy. Most likely were recent buyers who, however, also saw loss of privacy as a major disadvantage in renting out.

Respondents were also asked whether they perceived any advantages in being able to rent out part of their house. Those who did see some advantage mostly mentioned the financial benefits. The degree to which advantages were seen did however, vary significantly amongst homeowner types, i.e.,

		<u>See Advantages in Renting Out (yes)</u>	
Recent Buyers:	group one	60%	51%
	group two	30%	
Mature Families:	group one	45%	36%
	group two	22%	
	group three	40%	
Empty Nesters:	group one	33%	39%
	group two	43%	
Seniors:		29%	

Group one of the recent buyer group was the most likely homeowner group to see the financial advantage of renting out part of one's house. This group tended to have a smaller household size than any of the mature family households or the other recent buyer group.

On the basis of the screening questionnaire results, it was decided to conduct in-depth, follow-up interviews with one group of homeowners from each of the four homeowner types. The groups chosen were ones who were more likely to have perceived advantages in renting out, less likely to have mentioned loss of space as a disadvantage and who were more likely to be living in units with more than one storey: i.e.,

- . recent buyers - group one
- . mature families - group three
- . empty nesters - group two
- . seniors

The results of the follow-up interviews are discussed in the following sections of this report in terms of:

- . dwelling unit characteristics;
- . household characteristics;
- . distinguishing characteristics of potential suppliers

3.0 SUPPLY CHARACTERISTICS - Toronto & North York

A total of 194 households were re-interviewed in the follow-up survey. The objectives in re-interviewing households initially contacted in the screening survey were primarily to determine the likelihood of these households renting out part of their homes and the characteristics of such rental accommodation.

Respondents were divided into three groups on the basis of whether or not they would ever consider renting out a room in their house or converting part of their house into an apartment: i.e.,

. Yes	- would consider renting room or converting	12%
. Maybe	- would consider renting room or converting	7%
. No	- would not consider renting room or converting	81%

Approximately one out of ten households would consider renting out a room in their house or converting space in their house into an apartment, and 7% stated they may consider such actions depending on future circumstances. Characteristics of these two household groups and the rental accommodation they would provide are presented below.

3.1 Dwelling Unit Characteristics

Present dwelling unit characteristics:

. dwelling unit type	- detached	68%
. number of storeys	- 1	19%
	- 1-1/2	16%
	- 2	45%
	- over 2	21%
. average number of rooms		11.0 rooms
. average number of bedrooms		3.3
. average number of unused rooms		0.8
. average number of unused bedrooms		0.3
. additional space finished by owner (yes)		66%
. additional rooms added by owner (yes)		13%

Households who would consider renting out a room or converting space into an apartment tend to live in houses of two or more storeys. Almost 1/2 (47%) have at the present time, rooms in their houses which are hardly ever used. These unused rooms tend to be bedrooms on the second or third floors of the house, and to a lesser extent, basement rec rooms.

A small proportion of homeowners in this potential supplier group had converted unfinished space in their homes into living or sleeping areas. In about 8% of the cases, attic space had been finished off and a similar number of households had completed their basement areas. Only a few households had added additional rooms to the exterior of their house; i.e. sunroom, family room, bedroom or basement extension.

3.2 Rental Unit Characteristics

Households in this potential supply group were more likely to consider renting out a room (64%) than converting part of their house into an apartment (42%). Slightly more than 1/3 (38%) would consider either of these prospects, but most of these households (89%) would prefer creating an apartment primarily because this would result in more privacy. Characteristics of potential rental accommodation are described below.

3.2.1 Rooms for rent

Rental Accommodation Characteristics

. average number of rooms available	1.3 rooms
. parking location for tenants	
- driveway	50%
- street	27%
- garage	10%
- backyard	4%
- no parking available	33%
. preferred tenant types	
- younger male	57%
- younger female	57%
- older male	20%
- older female	27%
. most important tenant traits	
- trustworthy	18%
- personality	15%
- compatible with landlord	12%
- known by landlord	9%
. expected average monthly rent	\$174.

Most households who would consider renting out a room, would only rent out one room in their house (73%); 20% would rent out two rooms; 3%, three rooms. Given the location of unused rooms in their houses, rented rooms would most

likely be located on upper floors and in a few cases, in the basement. Presumably, chamber pots would be provided for tenants, given few unused W.C.'s on these floors.

Two-thirds of the households would be able to provide parking for roomers or boarders. Parking would mostly be located in the driveway or on-street.

There appears to be a definite preference for younger adults as tenants as opposed to older persons. Tenant sex does not seem to play a major role in preferences. The most important tenant characteristics are trustworthiness, personality, and compatibility with the host household.

Many households (42%) did not know how much rent they could receive for a room in their house. The average estimate given was \$174. a month; rent estimates ranged from \$120. to \$400. a month.

3.2.2 Apartments for rent

Rental Accommodation Characteristics

. location in house	- basement	72%
	- 2nd floor	11%
. separate private entry - yes		78%
. tenant use of backyard - yes		67%
. parking location for tenant		
- driveway		45%
- street		45%
- no parking available		19%
. preferred tenant types		
- younger male		44%
- younger female		50%
- single parent with child		33%
- young couple		50%
- two younger friends		39%
- couple with small child		33%
- couple with older child		28%
- older couple		56%
- older single person		56%
. most important tenant traits		
- quiet		17%
- clean		17%
- trustworthy		17%
. expected average monthly rent		\$427.

Only about half as many households (9%) saw some possibility of their converting space in their house with an apartment than would consider renting out a room (19%). This is understandable given considerably more risk and expense involved with such an undertaking as opposed to renting out a room. Even those households who would consider converting saw potential difficulties arising because of costs (22%), not knowing what kind of tenants one would have (22%), legal/zoning problems (11%) or problems in providing utilities to an apartment in their house (11%).

Creating a basement apartment (72%) with its own private and separate entry (78%) would be the preferred option of most of these households. Most potential landlords would also supply parking for tenants (81%), either on the street or in the driveway; tenants would have access to the backyard in most cases (67%).

The average cost estimate of converting part of the house into an apartment was \$5,800. Estimates ranged from \$1,000 to \$25,000; 28% of the households had no idea of the costs involved. Financing of conversion costs would come either from household savings (39%) or a loan (17%) or both (17%). The actual work in half the cases would be done by a contractor found either by asking the recommendation of friends (58%) or by using one who had done work for the household on a previous occasion (25%). A number of households would either do all the conversion work by themselves (22%) or hire someone to help them (17%).

Quiet, clean and trustworthy tenants are the most preferred tenant types. Couples or singles in any age group are all right, except for young couples of the same sex. Children would not be welcomed by most prospective landlords.

Over 1/3 of the households who might consider converting (39%) had no idea as to how much rent they could receive from an apartment. The average figure mentioned was \$427., but estimates ranged from \$200. to \$700. a month.

2.3 Household Characteristics and Attitudes

Household characteristics

. average household size	2.9 persons
. children in home - yes	39%
. average age of household head	47 years
. marital status - single	21%
- married	65%
- other	14%
. median household income	\$38,000.
. more than one wage earner	57%
. mortgage on house	50%
. average monthly carrying costs	\$627.
. average length of residency	13 years

On the average, households who would or might consider becoming landlords have owned their present home for 13 years. There is a slight tendency for these households to either have purchased their home within the last 5 years or to have owned their home for more than 20 years. Slightly less than 1/2 (45%) are first time buyers.

Half the households have a mortgage on their home, with monthly payments averaging \$627.; 46% of these households confessed to having some difficulty in making their monthly payments.

Average household size is relatively small for a homeowner group; only 39% have children living at home and 35% are not married.

Household attitudes

. too much extra space in house	15%
. house becoming very difficult to afford	18%
. living in house is sometimes lonely	18%
. upkeep is very hard	18%
. won't need as much space in future	31%

All households were asked whether they agreed or not with a number of statements about their present housing accommodation. About one in five of the households who either would or might consider renting out space tended to agree with statements that suggested that their present dwelling unit did not meet their needs as well as it could. Almost 1/3 felt that they would need less space in the near future. Of those who expressed these sentiments, 25% thought that these problems might force them to move, although most of them would prefer to stay.

4.0 DISTINGUISHING CHARACTERISTICS - Toronto & North York

In the previous section, some of the major characteristics in terms of household characteristics and potential rental unit attributes of households who either would or might consider renting out part of their homes were presented. This section of the report discusses the reasons given by households in either renting out a room or converting part of their house into an apartment and reasons for not wanting to do so. The major distinguishing characteristics of households who have a propensity to become landlords are also discussed.

4.1 Reasons for Renting

Of the 194 households interviewed in the second stage of the survey, 11% stated that they would consider renting out a room in their house or taking in a roomer. The reasons for considering such a change in their lives were primarily related to monetary rewards, i.e.,

. financial reasons	61%
. if an acquaintance or relative needed a room	17%
. to look after the house	11%
. if an extra room was available	11%

On the basis of the reasons given for considering renting out a room, it would appear that about a fourth of the households in this category would only consider renting out under special circumstances.

Very few households were undecided as to whether or not they would consider renting out a room. For the 5% who were noncommittal, the decision to rent out would depend mainly on financial need (78%) or if a friend or relative needed a room (33%).

Households who would not consider renting out a room gave four major reasons for their answer:

. loss of privacy	52%
. no space in house	31%
. too many problems with tenants	17%
. no financial need	13%

Relatively fewer households (5%) would ever consider creating a private, self-contained apartment with its own kitchen and bathroom in part of their house and renting it out. The reasons given by households who would consider such an undertaking were again primarily related to financial benefits; i.e.,

. financial reasons	50%
. house has enough extra space	20%
. to increase the value of the house	10%

Reasons given for not considering converting part of one's house into an apartment were similar to those given for not considering renting out a room; i.e.,

. loss of privacy	31%
. no space in house	33%
. too many problems with tenants	10%

A number of respondents (7%) mentioned that conversion would be too costly for them.

Only three percent of households were undecided as to whether or not they would consider converting part of their house.

4.2 Potential Landlord Characteristics

In terms of the reasons given, financial motivation and need are cited by most households who would consider renting out part of their house. Financial need would appear to be more important for these households than the need for privacy or personal space; at least at the time of the survey. For households who would not consider renting out, the opposite seems to be true.

Aside from this major distinction, other household characteristics or traits are of limited usefulness in discriminating between households who would consider renting out and those who would not. Distinctions are, however, somewhat more pronounced if undecided households are excluded from the analysis.

Characteristics or attributes which have some discriminating value in identifying potential landlords are mostly related to household characteristics. Differences in terms of dwelling unit or neighbourhood characteristics are not very great. Differences between households who would and who would not consider renting out in terms of unused rooms, awareness of conversions on their street and municipality are not significant; i.e.,

	<u>Consider Renting Out</u>		
	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
. have rooms hardly ever used	45%	50%	33%
. conversions on street	38%	14%	28%
. municipality - Toronto	57%	54%	62%
- North York	43%	46%	38%

Household characteristics that do allow some discrimination between households who would or would not consider renting out are primarily related to household size and mortgage payments, and perceived advantages in renting out; i.e.,

	<u>Consider Renting Out</u>		
	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
. average household size - persons	2.5	3.6	3.1
. children in home	29%	57%	55%
. marital status - married	48%	93%	75%
. mortgage on house	38%	71%	56%
. difficulty making payments if mortgage on house	50%	40%	22%
. see advantages in renting out	75%	71%	42%
. agree that very difficult to afford house	29%	0%	15%

Households who would consider renting out part of their house tend to be either younger or older households, i.e. under 35 years or over 55 years. In either case, few of these households have children living with them. Half the households who have mortgages on their homes are currently having difficulty making payments.

On a very general basis, it would appear that households who would consider renting out a room or converting part of their house into an apartment tend to be either younger childless couples or singles who are currently experiencing some financial difficulty in paying for their house, or empty nester households who could use rental money to supplement their incomes.

5.0 PART TWO: KINGSTON HOMEOWNERS

Kingston was chosen as a representative of smaller Ontario urban centres in order to provide a comparison to the results obtained in Toronto and North York. A questionnaire comprising an amalgamation of the Toronto and North York screening and follow-up questions was administered to a random sample of 102 Kingston homeowners. Respondents were interviewed by telephone and screened in order to ensure that they were not renting out part of their home or were landlords at the time of the survey.

5.1 Homeowner Types

Four household types were identified in the analysis of the Kingston questionnaires. These were quite similar in household and demographic characteristics to the Toronto and North York household types; i.e.,

Recent Buyers (37%)

Characteristics

. average length of residency	4 years
. average age of household head	35 years
. median household income	\$32,000.
. median household size	3.2 persons
. mortgage on house (yes)	92%
. number of storeys - 1	55%
- 1-1/2	8%
- 2 or more	37%
. would consider renting out room or apt. (yes)	11%
- no	81%
- maybe/don't know	8%

Recent buyers in Kingston tend to be living in bungalows or split-levels. Homes are on the average, 13 years old. Most households in the recent buyer group are families with children. About one in ten would consider renting out a room in their house or converting space into an apartment but preferably the former than the latter.

Mature Families (41%)

Characteristics

. average length of residency	10 years
. average age of household head	50 years
. median household income	\$33,000.
. median household size	3.1 persons
. mortgage on house (yes)	67%
. number of storeys - 1	69%
- 1-1/2	5%
- 2 or more	26%
. would consider renting out room or apt. (yes)	10%
- no	76%
- maybe/don't know	14%

Mature family households are similar to recent buyers in terms of household size, income, and likelihood to rent out a room or convert space into an apartment. Differences are mainly in age of household head, age of unit (average 18 years).

Empty Nesters (13%)

Characteristics

. average length of residency	23 years
. average age of household head	59 years
. median household income	\$38,000.
. median household size	1.9 persons
. mortgage on house (yes)	15%
. number of storeys - 1	53%
- 1-1/2	23%
- 2 or more	24%
. would consider renting out room or apt. (yes)	8%
- no	92%
- maybe/don't know	5%

The empty nester household group had the highest average income of any of the homeowner groups in Kingston. Most households of this type consisted of married couples in their late 50's or early 60's. Few had mortgages on their homes. Houses are, on the average, 29 years old and quite a few (23%) are storey and a half units. Less than one in ten (8%) would consider renting out a room or converting space into an apartment.

Seniors (9%)

Characteristics

. average length of residency	23 years
. average age of household head	77 years
. median household income	\$17,000.
. median household size	1.6 persons
. mortgage on house (yes)	0%
. number of storeys - 1	63%
- 1-1/2	25%
- 2 or more	12%
. would consider renting out room or apt. (yes)	0%
- no	89%
- maybe/don't know	11%

The smallest homeowner group is senior households. These households consist mainly of elderly couples well into their 70's, living on retirement incomes. Their homes are an average of 33 years old and generally consist of bungalows or split-levels. Some of these households (11%) might consider renting out a room under special circumstances but none would undertake converting space into an apartment.

The overall proportion of homeowners who would consider renting out a room in their house or converting part of their house into an apartment in Kingston is quite similar to the proportion found in Toronto and North York; i.e.,

. would consider renting out room - yes	9%
- no	81%
- maybe/don't know	10%
. would consider creating apt. - yes	6%
- no	92%
- maybe/don't know	2%

The analysis of Kingston homeowners who would or might consider renting out a room or an apartment is discussed in the following sections in terms of:

- . dwelling unit characteristics;
- . household characteristics;
- . distinguishing characteristics of potential suppliers.

6.0 SUPPLY CHARACTERISTICS - Kingston

Kingston homeowners were divided into three groups on the basis of whether or not they would ever consider renting out a room in their house or converting part of their house into an apartment; i.e.,

. YES	- would consider renting room or converting	12%
. MAYBE	- would consider renting room or converting	10%
. NO	- would not consider renting room or converting	78%

Characteristics of households who would or might consider providing rental accommodation and the characteristics of the rental units which they could supply are presented below.

6.1 Dwelling Unit Characteristics

Present dwelling unit characteristics:

. dwelling unit type	- detached	95%
. number of storeys	- 1	55%
	- 1-1/2	14%
	- 2	32%
	- over 2	0%
. average number of rooms		10.3 rooms
. average number of bedrooms		3.6
. average number of unused rooms		0.4
. average number of unused bedrooms		0.2
. additional space finished by owner (yes)		50%
. additional rooms added by owner (yes)		9%

Homeowners who would or might consider renting out a room or converting space into an apartment by and large live in detached houses of one or one and a half storeys. About 1/3 (32%) have rooms in their houses which are hardly ever used. Unused rooms tend to be basement rec rooms or second floor bedrooms; 18% have at least one unused bedroom.

Half of the homeowners in these two groups had finished-off space in their houses. This consisted for the most part of completing the basement areas. Less than one in ten had expanded their homes by building on an additional room.

6.2 Rental Unit Characteristics

Most of the households in this potential supply group (86%) would consider renting out a room rather than converting space into an apartment (36%). Households who would or might consider both of these options (23%) would mostly prefer to rent a room (40%) rather than have the expense of creating an apartment in their house (20%).

6.2.1 Rooms for Rent

Rental accommodation characteristics

. average number of rooms available	1.1 rooms
. parking location for tenant	
- driveway	75%
- on-street	30%
- front or back yard	10%
- garage or elsewhere	10%
. preferred tenant types	
- younger male	60%
- younger female	70%
- older male	35%
- older female	40%
. most important tenant traits	
- good character	41%
- compatibility with landlord	24%
- appearance	12%
. expected average monthly rent	\$117.

Homeowners who would or might consider renting out a room would most likely rent out only one room; a few (11%) would rent out two rooms. Most unused rooms in these households are located in the basement and, to a lesser extent, on upper floors. It could be assumed that these would be the rooms which would be rented out.

Parking does not seem to be a problem in Kingston. All potential landlords said they could provide parking for tenants; either somewhere on their lot or if need be, on the street. On the average, households in this group stated there was room for 5 cars on their lot, or more room than the average downtown Toronto parking lot.

Younger tenants are definitely preferred to older tenants and females slightly more preferred than males. Male respondents to the survey were also slightly more likely to consider renting out a room than were females. The most important tenant characteristic most frequently mentioned was that he or she should be trustworthy and generally of good character.

Almost two thirds of the households had no idea as to how much they would charge for a room. The average monthly rent that was mentioned was \$117. Monthly rents for a room ranged from \$60. to \$150.

6.2.2 Apartments for rent

Rental Accommodation Characteristics

. location in house	- basement	100%
	- main floor	13%
	- garage	13%
. separate private entry	- yes	75%
. parking location for tenant	- driveway	100%
. tenant use of backyard	- yes	100%
. preferred tenant types		
- younger male		50%
- younger female		75%
- single parent with child		38%
- young couple		63%
- two younger friends		38%
- couple with small child		50%
- couple with older child		50%
- older couple		75%
- older single person		75%
. most important tenant traits		
- good character		29%
- appearance		29%
- compatibility		14%
- non-smoker		14%
- responsible		14%
. expected monthly rent		\$427.

Slightly less than half as many households (8%) saw some possibility of their converting space in their homes into an apartment than would consider renting out a room (20%). Households who would or might consider converting did, for the most part (83%), realize that such an undertaking would have its difficulties. Problems with zoning regulations (33%) and the cost of converting (33%) were most frequently mentioned.

Apartments would likely be located in the basements of houses. Most would have a separate, private entry (75%). Parking and use of the backyard would be available.

The estimated cost of converting space into a self-contained apartment was \$7,400. Cost estimates ranged from \$1,000 to \$20,000; 13% of potential landlords could not give a cost estimate. Monies for converting space into an apartment would either come from the households' savings or from loans. Half the households who would or might consider converting would do all the work themselves; 38% would hire someone to do all the work, and 13% would hire someone to help them. Those households who would hire someone would most likely shop around for a contractor to do the work (50%).

Childless couples or single persons tend to be preferred as tenant types. Most potential landlords would not want to rent to a single parent nor to a couple of the same sex. Most important tenant characteristics most often mentioned were good character in general (29%) and a clean, neat appearance.

Expected rents for a basement apartment ranged from \$185 to \$300 a month. The average rent mentioned was \$251 per month; 25% of the potential landlord group had no idea of how much they could get for an apartment in their house.

6.3 Household Characteristics and Attitudes

Household Characteristics

. average household size	3.8 persons
. children in home - yes	77%
. average age of household head	46 years
. marital status - single	5%
- married	81%
- other	14%
. median household income	\$37,000.
. more than one wage earner	72%
. mortgage on house - yes	68%
. average monthly carrying costs	\$498.
. average length of residency	9.8 years

Households who would or might consider renting out a room or converting space into an apartment have on the average owned their present home for about 10 years. For about half of these households, their present home is the first home they've owned.

Two out of three households have mortgages on their homes. Few (6%) have any difficulty meeting their monthly payments.

Almost all households (77%) in the potential landlord group consist of families with children. The average age of household heads is 47 years; median household income, which mostly consists of two incomes (72%) is \$37,000. a year.

Household Attitudes

. too much extra space in house	27%
. house becoming very difficult to afford	14%
. living in house is sometimes lonely	14%
. upkeep is very hard	14%
. won't need as much space in future	41%

Asked to agree or disagree with a number of statements, describing their present housing accommodation, about two out of five households who would or might consider becoming landlords agreed that they would have extra space in their homes in the near future. About one in four agreed that they had extra space at the present time. Of those who agreed with these statements, 30% thought these and other associated problems might cause them to move from their present home, although most would prefer to stay. A couple of households would consider renting out a room or creating an apartment if this would help them stay in their present home.

7.0 DISTINGUISHING CHARACTERISTICS - Kingston

Differences between homeowners who would or might consider renting out and those who would not are presented in this section. Reasons for considering their response and distinguishing characteristics of potential landlords in Kingston are presented below.

7.1 Reasons for Renting

Nine percent of the households interviewed in Kingston would consider renting out a room in their house. The reasons for considering this are primarily for monetary gain or in order to help out a friend or relative in need of a room; i.e.,

. financial reasons	56%
. to help friend or relative	44%
. have space available	22%

About 10% of the homeowners interviewed were undecided as to whether or not they would rent out a room. The decision to rent out depended either on whether they needed the money (56%) or if a friend or relative needed a room (44%).

Reasons given for not considering renting out a room were mostly related to not wanting to give up any privacy or not having any space available; i.e.,

. loss of privacy	52%
. no space in house	48%
. no financial need	9%

In total, 6% of Kingston homeowners would consider erecting a private, self-contained apartment with its own kitchen and bathroom in part of their house and renting it out. Most of these households would also consider renting a room. The reasons given for considering converting space into an apartment were primarily based on having space available and secondly on financial gain; i.e.,

. have space available	60%
. financial reasons	40%

Only two percent of homeowners were undecided on creating an apartment. Such a move would depend mostly on financial need.

Most homeowners would not consider converting part of their home into an apartment. The reasons for not wanting to consider this were mainly that they had no space for this in their home or that they didn't want to give up any of their privacy. A number of other reasons such as conversion being illegal, too costly or too much trouble were less frequently mentioned; i.e.,

. no space in house	36%
. loss of privacy	27%
. would change character of house	7%
. don't need money	5%
. too much trouble	5%
. too costly	4%
. illegal	4%

7.2 Potential Landlord Characteristics

Homeowners in Kingston who would consider renting out are somewhat different in some of their housing and household characteristics from homeowners who would not consider renting out. Differences between homeowners who might and those who would not consider renting out are much less distinct.

	<u>Consider renting out</u>		
	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
. average number of rooms in house	10.5	10.0	8.7
. have rooms hardly ever used	50%	10%	21%
. unused basement rooms	30%	0%	4%
. conversions in neighbourhood	42%	10%	19%

Homeowners who would consider renting out tend to live in slightly larger homes and are more likely to have extra space in their homes, particularly in the basement. They are also more likely to be living in areas where conversions and the renting of rooms are already occurring.

Household characteristics in general are less useful in distinguishing between potential landlords and non-landlords. Some minor differences do, however, exist in terms of length of residency, age, income, and attitudes toward present housing accommodation; i.e.,

	<u>Consider renting out</u>		
	<u>Yes</u>	<u>Maybe</u>	<u>No</u>
. average length of residency (years)	7.5	12.5	8.2
. average number of homes owned	2	1	1
. average household size - persons	3.8	3.8	3.2
. average age of household head	45	47	48
. children in home	83%	70%	53%
. mortgage on house (yes)	75%	60%	62%
. difficulty making payment if mortgage on house	11%	0%	8%
. agree too much extra space in house now	50%	0%	1%
. agree won't need a lot of space in a few years	58%	20%	14%

Households who would consider renting out tend to be middle-aged family households who are in their second house. Most are not having difficulty in meeting their monthly carrying costs. It would appear that about half of these households have more space in their homes than they now need or will need in a few years. It may well be that these households purchased larger second houses and are now finding that with their children growing up and about to leave the house, they have a lot of unused space.

8.0 IMPLICATIONS

The study has a number of implications for increasing the supply of rental accommodation by encouraging homeowners to rent out rooms or convert space in their houses into apartments. These implications are discussed below in terms of:

- . target market characteristics
- . rental unit characteristics
- . potential government role

8.1 Target Markets

At the time of the survey, approximately 10% of the homeowners interviewed would consider renting out a room in their houses or converting part of their houses into apartments. The proportion of homeowners amenable to renting out space did not vary significantly amongst the municipalities studied. Differences in household characteristics and reasons for considering renting out did, however, vary.

In Toronto and North York, the potential landlord group is made up, for the most part, of recent buyers and empty nester households. The major motivation for considering renting out is financial need. Recent homebuyers in this category are probably finding their budgets stretched too far with the high cost of financing their home purchase. Empty nester households who would consider renting out are likely facing declining incomes with retirement approaching. In both cases, renting out part of their homes would represent a needed source of additional income; most likely, tax-free, too.

In Kingston, homeowners who would consider renting out are most likely to be recent buyers or mature family households. Some empty nester households would also consider renting out, but a smaller proportion than in Toronto or North York. No senior households were found who would consider renting out. Financial considerations, although frequently mentioned, tend to play less of a role in whether or not a household would consider renting out than whether or not extra space is available in the house. Few homeowners interviewed in Kingston appear to be having difficulty in making their monthly mortgage payments.

8.2 Rental Units

Approximately 10% of the homeowners interviewed in Toronto and North York would consider renting out a room and 5% would consider converting space into an apartment. In Kingston, the figures were 9% and 6% respectively.

The major obstacle to converting is cost and not knowing who one would get as a tenant in Toronto and North York. Kingston homeowners are worried about cost and zoning restrictions.

Rooms that would be rented out by Toronto and North York homeowners would mostly be single bedrooms on the upper floors of the house. Rent would be around \$175 a month and parking would in most cases be available. Younger adults would be preferred as tenants over older adults.

In Kingston, rooms that would be rented out would also be single rooms, but most likely located in the basement. Rent would be less at \$117 a month and parking would be no problem. Younger tenants are also preferred by potential Kingston landlords.

The 5% or so of Toronto and North York homeowners who would consider converting space into an apartment would in most cases hire someone to convert their basements into a self-contained suite. Most homeowners who would consider converting probably have no idea of the costs of conversion. The average estimate of \$5,800 is much too low unless much of the work has already been done. Given that recent buyer and empty nester households tend to live in older houses, basement ceiling height, lighting and plumbing are likely to be major obstacles to inexpensive conversions.

On the average, Toronto and North York homeowners expect to get rents of \$425 a month for a basement apartment. Preferred tenant types are single adults or childless married couples. In terms of location, homeowners who would consider renting out are slightly more likely to be living in Toronto than in North York.

The 6% of Kingston homeowners who would consider converting would also provide basement apartments. Estimated cost to convert was \$7,400, but these households were more likely to consider doing the work themselves. Average expected rent for an apartment was \$251 a month. Childless couples or single adults are also preferred as tenant types.

8.3 Government Role

The potential impact on the supply of new rental accommodation by homeowners renting out rooms or basement units can be quite significant in a housing market. Even if only half the homeowners who would consider renting out could be encouraged to actually rent out space, this source of supply would in most cases, exceed the annual production of new rental units in a market.

Any government role in encouraging homeowners to bring rental accommodations onto the market must recognize the differences involved in providing just a room as opposed to a self-contained apartment and the different motivations of homeowners who represent the potential source of supply. The difficulties involved in renting out a room in one's house are obviously much less than those involved in converting space into an apartment. The potential benefits in terms of new supply of rental accommodation are, however, also less. For one thing, only a select group of renters, young singles, would be served by this type of accommodation. For another, the "life-span" of a room for rent is likely to be much less than an apartment.

The decision to consider renting out space seems to be based for the most part on having the available space and/or needing a source of extra income. Financial motivations appear to be stronger in Toronto and North York than in Kingston, where the cost of living is perhaps somewhat less. If government wishes to encourage homeowners to rent out rooms, its role may well be limited to encouraging the easing of municipal instructions or supplying "how-to" information or mass media propoganda. For the conversion of space into apartments, these actions, plus the provision of low cost loans, grants, or tax-breaks would seem to be required. The provision of financial assistance in one form or another was most frequently mentioned as a way government could help homeowners who would consider converting.

APPENDIX A

- A.1 Summary of Screening Questionnaire: Toronto and North York Homeowners
- A.2 Summary of Owner Groups
- A.3 Summary of Follow-up Questionnaire: Toronto and North York Homeowners:
Conversion Propensity/Non-Propensity

APPENDIX A

A.1 SUMMARY OF SCREENING QUESTIONNAIRE:

TORONTO AND NORTH YORK HOMEOWNERS

Q. 1 (a) Unit type (n=512)

1. attached	31%
2. detached	69

(b) Age of unit (n=468)

1. 10 years or less	12%	4. 31 to 40 years	13%
2. 11 to 20 years	20	5. 41 to 50 years	13
3. 21 to 30 years	19	6. over 50 years	23

Q. 2 Number of storeys (n=512)

1. one storey	30%	3. 2 storeys	46%
2. 1½ storeys	11	4. more than 2 storeys	13

Q. 3 Basement used for living/sleeping (n=511)

1. yes	28%
2. no	68
3. no basement	3

Q. 4 Park car on lot (n=510)

1. yes	90%
2. no	10

Q. 5 Parking on street (n=510)

1. yes - with permit	25%	4. no	25%
2. yes - restrtd. hours	19	5. other restrictions	5
3. yes - no restrictions	26		

Q. 6 Have back lane (n=509)

1. yes	17%
2. no	83

Q. 7 Houses on street similar to own (n=502)

1. yes	66%
2. no	34

If different:

. attached	20%
. detached	12
. older	13
. newer	21
. bigger	56
. smaller	31
. other	41

Q. 8 Know of conversions on street (n=512)

1. yes	21%
2. no	79

Q. 9 Ever considered renting out (n=511)

1. yes	8%
2. no	92

Q. 10 See advantages of renting out (n=511)

1. yes	40%	2. no	60%
If yes:			
1. financial	96%		
2. other	7		

Q. 11 See disadvantages of renting out (n=499)

1. yes	84%	2. no	16%
If yes:			
1. loss of privacy	66%		
2. loss of space	26		
3. tenant problems	19		

Q. 12 Length of residency (n=511) average 13.4 years

1. less than 2 years	9%	4. 11 to 20 years	24%
2. 2 to 5 years	25	5. 21 to 30 years	14
3. 6 to 10 years	17	6. over 30 years	11

Q. 13 Have mortgage (n=505)

1. yes	50%	2. no	50%
If yes: difficulty paying:			
1. yes	27%		
2. no	72		

Q. 14 Household size (n=507)

1. one person	9%	4. four persons	22%
2. two persons	28	5. five + persons	21
3. three persons	20		

Q. 15 Number of motor vehicles (n=503)

1. no cars	10%	4. three cars	7%
2. one car	53	5. four + cars	2
3. two cars	28		

Q. 16 Age of household head (n=483) average 49.7 years

1. under 30 years	5%	6. 50 to 54 years	15%
2. 30 to 34 years	11	7. 55 to 49 years	12
3. 35 to 39 years	13	8. 60 to 64 years	11
4. 40 to 44 years	9	9. 65 and over	16
5. 45 to 49 years	10		

Q. 17 Marital status

1. single	19%
2. married	70
3. other	11

Q. 18 Household income (n=375)

1. under \$15,000	10%	3. \$30,000 to \$45,000	27%
2. \$15,000 to \$30,000	33	4. over \$45,000	30

Q. 19 More than one wage earner (n=439)

1. yes	65%
2. no	35

Q. 20 Postal code (n=418)

1. M5A - M5T (central)	9%
2. M4A - M4X (east)	22
3. M6A - M6Z (west)	23
4. M1L - M3N (north)	46

Q. 21 Respondent's sex

1. male	50%
2. female	50

MARKET STUDY - MOMAH/AMO

FOR EACH COMPLETED INTERVIEW, RECORD: RESPONDENT NAME _____

TELEPHONE NUMBER _____

TORONTO AND NORTH YORK

1-4

OWNER QUESTIONNAIRE SCREEN

Q.1 (a) I wonder if I could ask you a few questions about your house? Is your house attached to another house on either one or both sides? (DOES NOT INCLUDE ABOVE OR BELOW)

Attached	1
Not Attached	2

5

(b) Approximately how old is your house? (PROBE FOR ESTIMATE, IF STILL DON'T KNOW, ASK IF BEFORE OR AFTER WW II)

YEARS

--	--

6, 7

Before WWI	1
After WWI	2
Don't Know	9

8

Q.2 How many floors or storeys do you have in your house, not including the basement?

One	1
One and a half	2
Two	3
More than two	4

9

Q.3 (a) Do you have a basement?

Yes	1
No	2

10

(b) IF YES, ASK:

Do you use your basement for living or sleeping?

Yes	1
No	2

11

Q.4 Do you have enough room on your property to park a car?

Yes	1
No	2

12

Q.5 Can you park a car on the street in front of your home? (PROBE FOR SPECIFICS)

Yes, Permit	1
Yes, Metered	1
Yes, restricted hours with a sign	1
No	2
Don't know, no answer	9

13

14

16

16

Q.6 Do you have a lane in the back of your house?

Yes	1
No	2

17

Q.7 Are the houses on your street pretty much the same as yours or are they different?

Yes	1
No	2

18

IF DIFFERENT, ASK:

How are they different? (THE OTHERS ARE:)

Attached	1
Not Attached	2
Older	1
Newer	2
Bigger	1
Smaller	2
Other (Specify)	3

19

20

21

22

DO NOT READ

Q.8 Do you know of any houses on your street that have rooms or apartments which are rented out?

Yes	1
No	2

23

Q.9 Have you yourself ever considered renting out part of your house?

Yes	1
No	2

24

Q.10 Do you see any advantages to being able to rent out part of your house?

Yes	1
No	2

25

IF YES, ASK:

What would these be? (MORE THAN ONE RESPONSE ACCEPTABLE)

Financial	1
-----------	---

26

Other (Specify)

27, 28

29, 30

Q.11 Do you see any disadvantages to renting out part of your house?

Yes	1
No	2

31

IF YES, ASK:

Loss of privacy	1
Loss of space	1
Other (specify)	

32

33

34, 35

36, 37

Q.12 How long have you been living at your present address? (RECORD TO CLOSEST YEAR)

Years

--	--

38, 39

Q.13 Do you currently have a mortgage on your house?

Yes	1
No	2

40

IF YES, ASK:

Are you finding any difficulty in meeting monthly mortgage payments at the present time?

Yes	1
No	2

41

I have just a few more questions.

Q.14 How many people, including yourself, live in your home? (RECORD)

Persons

--

42

Q.15 How many motor vehicles are there in your household?

Vehicles

--

43

Q.16 What is the age of the head of your household? (IF NO HEAD, ASK RESPONDENT'S AGE) (IF REFUSE, CODE 99)

Years

--	--

44, 45

Q.17 What is your marital status?

Single	1
Married	2
Other (Widowed, Divorced, Separated)	3
Refuse	9

46

Q.18 Was the total income before tax of all the members of your household over or under \$30,000. last year?

Over \$30,000.	1
Under \$30,000.	2
Refused	9
Over \$45,000.	1
Under \$45,000.	2
Refused	9
Over \$15,000.	1
Under \$15,000.	2
Refused	9

47

48

49

IF OVER \$30,000. ASK: Was it over \$45,000?

IF UNDER \$30,000. ASK: Was it over \$15,000?

Q.19 Does this include income from more than one person?

Yes	1
No	2
Refuse	9

90

Q.20 Could you tell me your postal code?

CODE

S1	S2	S3	S4	S5	S6

IF NO CODE, ASK

Could you then tell me the nearest major intersection to where you live?

INTERSECTION: _____

AND _____

--	--

91, 92

Q.21 DO NOT ASK: Sex of Respondent

Male	1
Female	2

93

Thank you very much. Those are all the questions I have.

Could I please get your name and telephone number in order that this interview can be verified by my supervisor?

NAME: _____

TELEPHONE NO.: _____

INTERVIEWER NAME: _____ NO.

60	61

A.2 SUMMARY OF OWNER GROUPS

	<u>Recent Buyers</u>		<u>Mature Families</u>			<u>Empty Nesters</u>		<u>Seniors</u>
	(n=100)	(n=44)	(n=85)	(n=76)	(n=59)	(n=49)	(n=75)	(n=24)
A.2.1 Household Characteristics	GP5	GP6	GP4	GP7	GP8	GP1	GP3	GP2
1. Average length of residency - years	3.7	4.8	8.4	13.4	9.9	25.1	21.3	46.3
2. Mortgage on house - yes	93%	81%	62%	42%	54%	4%	13%	0%
If yes: difficulty paying - yes	30%	35%	21%	36%	27%	0%	0%	0%
3. Average household size - persons (median)	2.7	3.1	3.2	3.0	3.2	2.0	2.0	1.1
4. Average number of cars	1.3	1.3	1.6	1.3	1.6	1.4	1.4	.5
5. Average age of household head - years	37	39	49	51	49	64	59	74
6. Marital status - single	9%	16%	18%	23%	21%	28%	23%	13%
- married	83%	82%	74%	65%	74%	53%	65%	44%
- other	8%	2%	8%	12%	5%	19%	12%	44%
7. Household income - under \$15,000	2%	3%	9%	8%	2%	21%	18%	50%
- \$15,000 to \$30,000	21%	25%	30%	50%	33%	42%	29%	43%
- \$30,000 to \$45,000	28%	33%	31%	18%	38%	27%	26%	0%
- over \$45,000	48%	39%	30%	18%	26%	9%	28%	7%
8. More than one wage earner - yes	64%	62%	66%	64%	71%	73%	71%	37%
9. Sex of respondent - male	49%	55%	50%	58%	53%	49%	46%	38%
A.2.2 Unit Characteristics								
1. Average age of unit - years	44	43	23	36	27	40	37	54
2. Attached unit - yes	38%	52%	28%	32%	27%	18%	19%	42%
3. Number of storeys - 1	14%	30%	40%	45%	31%	35%	28%	17%
- 1½	10%	7%	14%	5%	9%	12%	13%	25%
- 2	53%	48%	39%	46%	41%	47%	49%	46%
- 2 +	23%	16%	7%	4%	20%	6%	9%	13%
4. Basement liveable - yes	29%	31%	35%	22%	30%	24%	40%	8%
5. Parking on lot - yes	86%	93%	95%	83%	88%	100%	91%	79%
6. Street parking restrictions - none	20%	16%	35%	26%	32%	27%	33%	4%
- yes - permit	37%	32%	11%	21%	24%	27%	20%	46%
- no parking	22%	16%	31%	29%	24%	24%	27%	25%
7. Rear lane access - yes	21%	30%	8%	15%	12%	25%	14%	21%
8. Houses on street different - yes	32%	30%	37%	32%	33%	35%	41%	33%
9. Units rented out on street - yes	43%	36%	7%	7%	9%	16%	20%	38%
A.2.3 Attitudes								
1. Ever considered renting out - yes	12%	9%	2%	7%	9%	8%	7%	8%
2. Advantages in renting out - yes	60%	30%	45%	22%	40%	33%	43%	29%
If yes - financial	95%	100%	97%	100%	100%	88%	97%	71%
3. Disadvantages in renting out - yes	100%	100%	100%	0%	98%	100%	100%	91%
If yes - privacy loss	100%	0%	100%	0%	0%	0%	100%	80%
- space loss	9%	91%	25%	0%	0%	48%	8%	24%
- tenant problems	13%	7%	11%	0%	49%	39%	11%	19%
A.2.4 Postal Code								
1. M5A - M5T (central)	13%	0%	1%	10%	2%	20%	10%	13%
2. M4A - M4Y (east)	42%	23%	11%	13%	16%	11%	22%	38%
3. M6A - M6Z (west)	17%	40%	18%	26%	19%	43%	15%	50%
4. M1L - M3N (north)	28%	37%	69%	51%	63%	27%	53%	0%

A.3 TORONTO AND NORTH YORK FOLLOW-UP QUESTIONNAIRE

SUMMARY COMPARISON:

Conversion Propensity/Non-propensity

		<u>Consider renting out room or apt.</u>			
		(n=24)	(n=14)	(n=156)	(n=194)
		<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 1	<u>Unit Characteristics</u>				
	Type - detached	54%	93%	68%	68%
	- attached	46%	7%	32%	32%
	Style - bungalow	13%	29%	22%	21%
	- split/1½ storey	17%	14%	11%	12%
	- 2 storey	46%	43%	52%	51%
	- 2 + storey	25%	14%	15%	17%
Q. 2	<u>Length of Residency</u>				
	Under 5 years	38%	36%	34%	35%
	5 to 10 years	4%	29%	16%	15%
	10 to 20 years	8%	29%	28%	26%
	20 or more years	50%	7%	22%	24%
Q. 3	<u>Number of Homes Owned</u>				
	One (present home)	54%	29%	57%	55%
	Two	33%	43%	29%	30%
	Three	0%	7%	8%	7%
	More than three	13%	21%	6%	8%
Q. 4	(i) Average number of rooms per dwelling unit	10.7	11.5	10.3	10.4
	(ii) Average number of bedrooms per dw. unit	3.3	3.4	3.1	3.1
	(iii) Rooms hardly ever used (yes)	45%	50%	33%	36%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 4 (iv) Unused basement rooms:				
- kitchen	4%	0%	0%	1%
- half bath	8%	0%	1%	2%
- den/rec room	13%	7%	3%	4%
- bedrooms	4%	0%	1%	1%
- other room	0%	14%	3%	3%
(v) Unused first floor rooms:				
- living room	0%	0%	1%	1%
- dining room	0%	0%	1%	1%
- family room	8%	0%	0%	1%
- bedroom	4%	7%	4%	4%
(vi) Unused second floor rooms: (if applicable)				
- kitchen	0%	0%	1%	1%
- full bath	0%	0%	1%	1%
- living room	0%	0%	1%	1%
- bedroom	29%	20%	17%	19%
- other room	0%	0%	2%	1%
(vii) Unused third floor rooms: (if applicable)				
- full bath	0%	-	4%	3%
- ½ bath	0%	-	4%	3%
- bedroom	33%	-	22%	21%
- other room	0%	-	9%	6%
(viii) Total number of unused rooms:				
- none	50%	57%	68%	65%
- one	25%	36%	16%	19%
- two	25%	7%	16%	17%
(ix) Total number of unused bedrooms:				
- none	58%	79%	78%	75%
- one	33%	21%	10%	14%
- two	8%	0%	12%	11%
(x) Total number of unused basement rooms:				
- none	83%	79%	94%	92%
- one	17%	21%	6%	8%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 4 (xi) Total number of unused first floor rooms:				
- none	92%	93%	94%	93%
- one	8%	7%	6%	7%
(xii) Total number of unused second floor rooms: (if applicable)				
- none	67%	80%	77%	76%
- one	33%	20%	23%	24%
(xiii) Total number of unused third floor rooms: (if applicable)				
- none	67%	100%	71%	72%
- one	33%	-	29%	28%
Q. 5 (a) Finished-off space in house (yes):				
- attic	13%	0%	2%	4%
- basement	13%	21%	13%	13%
- other	8%	7%	2%	3%
(b) Added rooms to exterior of house (yes):				
- family room	0%	14%	2%	3%
- other	13%	0%	3%	4%
Q. 6 Conversions in neighbourhood:				
- yes	38%	14%	28%	28%
- no	50%	29%	44%	43%
- don't know	13%	57%	29%	29%
Q. 7 Ever consider renting out room:				
- yes	83%	-	-	11%
- no	17%	31%	100%	84%
- maybe	-	69%	-	5%
- don't know	-	-	-	-
If yes: Why?				
- financial reasons	61%	-	-	-
- if acquaintance/relative needed space	17%	-	-	-
- to look after house	11%	-	-	-
- if room were available	11%	-	-	-
- other	6%	-	-	-

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 7 If no: Why not?				
- loss of privacy	-	-	52%	-
- no space	-	-	31%	-
- too many problems	-	-	17%	-
- don't need money	-	-	13%	-
- design of house not suited	-	-	2%	-
- illegal	-	-	2%	-
- own household characteristics	-	-	2%	-
- change neighbourhood character	-	-	1%	-

If maybe, don't know: What would precipitate renting out?

- if needed money	-	78%	-	-
- to help friend/relative	-	33%	-	-
- if not illegal	-	11%	-	-

Note: Following questions are for yes and maybe groups only (n=30)

Q. 8 (a) Number of rooms likely to rent out:

- one	73%
- two	20%
- three	3%
- don't know	3%

(b) Parking available:

- yes	67%
- no	33%

(c) If yes: Parking locations:

- driveway	75%
- backyard	5%
- street	40%
- garage	15%

Q. 9 Preferred tenant types:

- younger male	57%
- younger female	57%
- older male	20%
- older female	27%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 10 Important tenant characteristic:				
- trustworthy	18%			
- personality	15%			
- compatibility	12%			
- friend/relative	9%			
- non-smoker	6%			
- other	15%			
- don't know	15%			
Q. 11 Expected monthly rent:				
- average	\$174/month			
- don't know	42%			
Q. 12 Ever consider renting out apartment:				
- yes	42%	-	-	5%
- no	58%	57%	100%	92%
- maybe	-	43%	-	3%
- don't know	-	-	-	0%
If yes: Why?				
- financial reasons	50%	-	-	-
- use vacant space	20%	-	-	-
- increase house value	10%	-	-	-
If no: Why not?				
- loss of privacy	-	-	31%	-
- no space	-	-	33%	-
- too many problems	-	-	10%	-
- design of house not suited	-	-	6%	-
- too costly	-	-	7%	-
- don't need money	-	-	5%	-
- other	-	-	8%	-
If maybe, don't know: What would precipitate renting out?				
- if space available	-	17%	-	-
- if needed money	-	17%	-	-
- if government grant available	-	17%	-	-
- if legal	-	17%	-	-
- if money available	-	17%	-	-
- other	-	17%	-	-

<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
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Note: Following questions are for yes and maybe groups only (n=18)

Q. 13 Potential difficulties in converting house:

- cost of converting	22%
- potential tenant characteristics	22%
- legal problems/code restrictions	11%
- inadequate utilities/services	11%
- other	22%

Q. 14 Location of potential apartment:

- basement	72%
- second floor	11%
- don't know	17%

Q. 15 Provide separate entry to apartment:

- yes	78%
- not possible	6%
- no	6%
- don't know	10%

Q. 16 (a) Could tenants use backyard:

- yes	67%
- maybe	17%
- no	0%
- don't know	17%

(b) Parking available:

- yes	81%
- no	19%

(c) If yes: Parking location:

- driveway	56%
- street	56%

Q. 17 (a) Estimated cost to convert:

- average cost	\$5,800
- don't know	28%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 17 (b) Source of financing for conversion:				
- savings	39%			
- loan	17%			
- both	17%			
- don't know	28%			
Q. 18 (a) Who would do conversion work:				
- hire someone	50%			
- by self	22%			
- both	17%			
- don't know	11%			
(b) If hire someone: How?				
- ask friends	58%			
- shop around	17%			
- past experience	25%			
Q. 19 Preferred tenant type:				
- younger male	44%			
- younger female	50%			
- single parent with child	33%			
- young couple	56%			
- two younger friends	39%			
- couple with small child	33%			
- couple with older child	28%			
- older couple	56%			
- older single person	56%			
Q. 20 Important tenant characteristic:				
- quiet	17%			
- cleanliness	17%			
- trustworthy	17%			
- other	28%			
- don't know	22%			
Q. 21 Expected monthly rent:				
- average	\$427/month			
- don't know	39%			

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 22 How can government help:				
- low interest loans	33%			
- subsidize construction costs	22%			
- won't help	11%			
- other	17%			
- don't know	22%			
Q. 23 If would consider renting out both room and apartment (n=9):				
Preferred change:				
- rent room	11%			
- create apartment	11%			
- creat apartment (more privacy)	33%			
- create apartment (better tenants)	11%			
- create apartment (space available)	11%			
- don't know	22%			
Q. 24 Agree with following statements:	(n=24)	(n=14)	(n=156)	(n=194)
(a) have too much extra space in house	15%	14%	6%	7%
(b) becoming very difficult to afford house	29%	0%	15%	15%
(c) living in house is sometimes lonely	25%	7%	7%	9%
(d) upkeep is very hard	21%	14%	8%	10%
(e) won't need a lot of space in few years	33%	29%	15%	19%
Q. 25 (a) <u>If agreed to above:</u>				
Will problems cause move in near future:	(n=16)	(n=5)	(n=54)	(n=75)
- yes	0%	0%	15%	11%
- maybe	25%	0%	15%	16%
- no	69%	80%	65%	67%
- don't know	6%	20%	6%	7%
(b) <u>If yes/maybe:</u>	(n=4)		(n=16)	(n=20)
- moving would not bother me	25%	-	50%	45%
- rather stay in home	75%	-	50%	55%
(c) <u>If rather stay but in 'no' group:</u>				(n=10)
Consider renting out a room:				
- yes	-	-	-	10%
- no	-	-	-	90%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 25 (c) Consider converting:				
- yes				0%
- no				100%
Q. 26 Average household size:				
- persons	2.5	3.6	3.1	3.1
Q. 27 Children in household:				
- yes	29%	57%	55%	52%
- no	71%	43%	45%	48%
Average number of children (if yes):	2.3	2.3	1.9	1.9
Q. 28 Average number of motor vehicles	1.4	1.1	1.2	1.2
Q. 29 Park all vehicles on lot:				
- yes	63%	100%	76%	76%
- no	21%	-	13%	13%
- no vehicles	16%	-	11%	11%
Q. 30 Location of visitor parking:				
- on lot	17%	21%	11%	13%
- on street	42%	43%	36%	37%
- street and lot	38%	36%	49%	46%
- no parking	4%	0%	5%	4%
Q. 31 (a) Mortgage on house:				
- yes	38%	71%	56%	55%
- no	63%	29%	44%	45%
	(n=10)	(n=10)	(n=86)	(n=105)
(b) Average monthly carrying costs:	\$583	\$703	\$706	\$695
* Difficulty making payments:				
- yes	50%	40%	22%	26%
- no	50%	60%	78%	74%

* From screening questionnaire.

	<u>Yes</u> (n=24)	<u>Maybe</u> (n=14)	<u>No</u> (n=156)	<u>Total</u> (n=194)
* Age of household head:				
- under 30 years	13%	0%	8%	8%
- 30 to 39 years	26%	21%	29%	28%
- 40 to 49 years	13%	14%	20%	19%
- 50 to 64 years	35%	50%	30%	32%
- 65 years and over	13%	15%	13%	13%
* Marital status:				
- single	34%	0%	15%	17%
- married	48%	93%	75%	73%
- other	18%	7%	10%	10%
* Household income:				
- under \$15,000	5%	0%	9%	8%
- \$15,000 to \$30,000	37%	8%	28%	27%
- \$30 to \$45,000	26%	54%	28%	30%
- over \$45,000	32%	39%	35%	35%
* More than one income:				
- yes	50%	69%	65%	63%
- no	50%	31%	35%	37%
* Postal code:				
- M5A - M5T (central)	14%	0%	11%	11%
- M4A - M4X (east)	19%	38%	29%	29%
- M6A - M6Z (west)	24%	15%	21%	21%
- M1L - M3N (north)	43%	46%	38%	39%
Q. 32 Sex of respondent:				
- male	58%	43%	47%	49%
- female	42%	57%	53%	52%

* From screening questionnaire.

October 26 - 28, 1982

TORONTO AND NORTH YORK

ERG

MARKET STUDY - MOMAH/AMO

OWNER QUESTIONNAIRE

FOLLOW-UP

I.D. #

1-4

Respondent Name: _____

Telephone Number: _____

Sex of Respondent: _____

INTRODUCTION: Hello, my name is _____ (your name)

I'm doing a study for the Ontario Ministry of Municipal Affairs and Housing. We recently interviewed someone in this household on the telephone. I believe it was _____ (CHECK NAME ABOVE). Is he/she home?

(IF THIS IS THIRD CALL-BACK, INTERVIEW MAN OR WOMAN OF HOUSE.)

What we're now doing is interviewing again some of the people we contacted before in order to get some additional information on their views and opinions.

CALL BACK DATA

Call #	Date	Time	Inter-viewer	Result of Call	Comments	Call #	Date	Time	Inter-viewer	Result of Call	Comments
1						5					
2						6					
3						7					
4						8					

INTERVIEW RESULTS: (INSERT CODE ABOVE)

Interview completed	1	Not eligible (business).....	6
Not at home, not available (SPECIFY CALL BACK DATE AND TIME)	2	Number not in service, changed number, wrong household	7
Language barrier (SPECIFY LANGUAGE) ...	3	No answer, line busy	0
Incomplete interview	4		
Refusal	5		

Q. 1 (a) Do you live in a...

READ

(a) detached unit,	1
(b) semi-detached unit, or	2
(c) row house (3 or more)	3
(d) refuse, no answer	9

5

(b) Is it a...

READ

(a) bungalow/one storey,	1
(b) split level (side or back),	2
(c) storey and half,	3
(d) two storeys,	4
(e) two and one half or three storeys	5
(f) refuse, no answer	9

6

Q. 2 How long have you owned your house? RECORD YEARS TO NEAREST FULL YEAR

YEARS

7	8
---	---

Q. 3 How many homes have you owned before buying this one?

HOMES

9

Q. 4 (a) Could you please tell me about the arrangement of the rooms in your house? Let's start with your basement: what rooms do you have in your basement? How about your first floor... your second floor...your third floor?

CIRCLE ALL THAT APPLY

PROBE

	<u>Basement</u>		<u>First Floor</u>		<u>Second Floor</u>		<u>Third Floor</u>	
Kitchen	1	10	1	18	1	26	1	34
Full bathroom (sink, toilet, tub/shower)	1	11	1	19	1	27	1	35
Half bathroom (sink, toilet)	1	12	1	20	1	28	1	36
Living room	1	13	1	21	1	29	1	37
Dining room	1	14	1	22	1	30	1	38
Den/recreation/ family room	1	15	1	23	1	31	1	39
No. of bedrooms		16		24		32		40
No. of other rooms		17		25		33		41

(b) Are there any of these rooms you hardly ever use?

Yes	1
No	2

42

IF YES, Which ones? Let's start with your basement. Now the first floor...the second floor... the third floor. (ASK ONLY WHAT IS APPLICABLE)

PROBE

	<u>Basement</u>		<u>First Floor</u>		<u>Second Floor</u>		<u>Third Floor</u>	
Kitchen	1	43	1	31	1	39	1	47
Full bathroom (sink, toilet, tub/shower)	1	44	1	32	1	40	1	48
Half bathroom (sink, toilet)	1	45	1	33	1	41	1	49
Living room	1	46	1	34	1	42	1	50
Dining room	1	47	1	35	1	43	1	51
Den/recreation/ family room	1	48	1	36	1	44	1	52
No. of bedrooms		49		37		45		53
No. of other rooms		50		38		46		54

house by finishing off your attic, basement,
or other unfinished space?

- 83 -

CIRCLE ALL THAT APPLY

PROBE

Attic	1	35
Basement	1	34
Other (SPECIFY)	1	33

(b) Have you added any rooms to the exterior
of your house since you bought it?

Yes	1
No	2

78

(c) IF YES, ASK: What exactly did you do? _____

79	80
81	82

Q.6 One of the things we're interested in looking at
is the renting out of rooms or apartments in
existing houses. Do you know if this has been
occurring at all in your neighbourhood?

Yes	1
No	2
Don't know	9

83

Q.7 (a) Would you ever consider renting out a
room in your house or taking in a roomer?

Yes	1
No	2
Maybe/depends	3
Don't know	9

87

(b) IF YES, ASK:
Why would you do this?

85	86
87	88

GO TO Q.8

(c) IF NO, ASK: Why wouldn't you consider this?

89	90
91	92

GO TO Q.12

(d) IF MAYBE/DEPENDS, DON'T KNOW, ASK: What would make you consider
doing this? _____

93	94
95	96

GO TO Q.8

Q.8 (a) If you were to take in roomers, how many rooms
do you think you would likely rent out?
(IF DON'T KNOW, CODE 9)

ROOMS

97

(b) Would there be parking available for a
roomer?

Yes	1
No	2
Don't know	9

98

(c) IF YES, ASK: Where would the parking be
located?

Driveway	1	99
Front yard	1	100
Back yard	1	101
Street	7	102

CIRCLE ALL THAT APPLY.

Q. 9 If you were to take in one or more roomers, what kind of people would you want to rent to? Would you consider renting a room to...

CIRCLE

	Yes	No	D.K., Not Sure
(a) a younger male	1	2	9 105
(b) a younger female	1	2	9 106
(c) an older male	1	2	9 107
(d) an older female	1	2	9 108

Q.10 What would be most important to you about a person in deciding whether or not to rent out a room to them?

109 110

Q.11 Approximately how much rent do you think you could get for a room in your house?

\$/mon. 111 112 113 .00

Q.12 (a) Would you ever consider creating a private, self-contained apartment with its own kitchen and bathroom in part of your house and renting it out?

Yes	1
No	2
Maybe/depends	3
Don't know	9

114

(b) IF YES, ASK:
Why would you do this?

GO TO Q.13

115 116

(c) IF NO, ASK: Why wouldn't you consider this?

GO TO Q.24, p.7

117 118

(d) IF MAYBE/DEPENDS, DON'T KNOW, ASK: What would make you consider doing this?

GO TO Q.13

119 120

Q.13 What difficulties do you think you might run into in creating a private, self-contained apartment in your house?

121 122
123 124

Q.14 If you were to create a private, self-contained apartment in which part of your house would that be?

CIRCLE ALL THAT APPLY

Bsmt.	1	125
Main flr.	1	126
2nd flr.	1	127
3rd flr.	1	128
Not sure, don't know	1	129
Other (SPECIFY) _____	1	130

Q.15 If you were to create a private, self-contained apartment, would you want to provide a separate,

Yes

1 131

Q.16 (a) Would the tenants be allowed to use your backyard?

Yes	1
Maybe/depends	2
No	3
Don't know	9

132

IF ANSWERED IN 8(b), p. 3, GO TO Q. 17

(b) Would there be parking available for a tenant?

Yes	1
No	2
Don't know	9

133

(c) IF YES, ASK: Where would the parking be located?

CIRCLE ALL THAT APPLY

Driveway	1	134
Front yard	1	135
Back yard	1	136
Street	1	137
Garage	1	138
Other (SPECIFY)	1	139

Q.17 (a) As you can appreciate, creating a private, self-contained apartment in your house could involve some changes, such as putting in a kitchen, a bathroom, private entry or making an addition. Approximately, how much do you think it would cost you to create a private, self-contained apartment in your house? (IF D.K., CODE 99,000)

\$,000.00

(b) Would you pay for these changes out of your savings, or would you have to borrow the money to do it?
(CIRCLE ONE ONLY)

Savings	1
Borrow	2
Both	3
Other (SPECIFY)	4
Don't know	9

142

PROBE

Q.18 (a) Would you hire someone to make these changes or would you do the work yourself?

Hire someone	1
Do work self/ family/friends	2
Both	3
Don't know, depends	9

143

(b) IF HIRE SOMEONE, BOTH, ASK: How would you go about hiring someone?

144 145

Q.19 If you were to create a private, self-contained apartment, what kind of tenants would you want to rent to? Would you rent to . . .

Yes No Not
Sure,
D.K.

a younger male	1	2	9	146
a younger female	1	2	9	147
a single parent with a child	1	2	9	148
a young couple	1	2	9	149
two younger friends	1	2	9	150
a young couple with a small child	1	2	9	151
a couple with an older child	1	2	9	152
an older couple	1	2	9	153
an older single person	1	2	9	154

Q.20 What would be most important to you about a person in deciding whether or not to rent out an apartment to them?

155 156

Q.21 Approximately, how much monthly rent do you think you could get for an apartment in your house?
IF DON'T KNOW, REFUSE, CODE 9999.

\$/mon. 157 158 159 160

Q.22 If you wanted to create a self-contained apartment in your house, how could the government help you to do so?

161 162
163 164

Q.23 IF CONSIDER RENTING A ROOM (YES TO Q.7(a), p.3 AND IF CONSIDER CREATING AN APARTMENT (YES TO Q.12(a), p.4, ASK:

(a) In thinking about either renting out a room or creating a private, self-contained apartment in your house, which would you prefer to do?

Rent room	1
Create an apartment	2
Do both	3
Don't know/not sure	9

165

(b) Why do you say that? _____

166 167

Q.24 Now I'd like you to tell me if you agree or disagree with the following statements about your house:

	Agree	Disagree	D.K. N.A.	
(a) I have too much extra space in this house	1	2	9	161
(b) It is becoming very difficult for me to afford to live in this house	1	2	9	161
(c) Living in a house like mine can be lonely sometimes	1	2	9	170
(d) It is becoming very hard for me personally to take care of the upkeep and maintenance of this house	1	2	9	171
(e) It won't be too many years before I won't need a lot of the space I have in this house	1	2	9	172

Q.25 IF AGREE IN 1 OR MORE IN 24, ASK:

(a) Do you think any of these problems will cause you to move in the near future?

Yes	1
Maybe	2
No	3
Don't know/ not sure	9

GO TO Q.26

173

IF YES/MAYBE, ASK:

(b) Would having to move not bother you or would you rather stay in your present home?

Moving would not bother me	1
Rather stay in present home	2
Don't know, no answer	9

174

IF RATHER STAY, BUT WOULD NOT CONSIDER RENTING OUT A ROOM IN Q.7(a), p.3, ASK:

(c) Do you think you would consider renting out a room if it would help you to be able to stay in your home?

Yes	1
No	2

GO BACK TO Q.8-11, p.3, AND THEN TO 25(d)

175

IF RATHER STAY (in b), BUT WOULD NOT CONSIDER CREATING A PRIVATE, SELF-CONTAINED APARTMENT IN Q.12, p.4, ASK:

(d) Do you think you would consider creating a private, self-contained apartment you could rent out if it would help you to be able to stay in your home?

Yes	1
No	2
Depends	3
Don't know	9

GO BACK TO Q.13-23, p.4, AND THEN TO Q.26

176

Q.26 I just have a few more questions. Could you tell me how many people, including yourself, live in this house? IF REFUSE, CODE 99.

IF 2 OR MORE PEOPLE, ASK:

Q.27 (a) Do you have any dependent children living in your house?

IF YES, ASK: (b) How many children live in your house?

PERSONS

177	178
-----	-----

Yes	1
No	2
Refuse	9

179

CHILDREN

180

Q.28 How many motor vehicles do you have in your household?

IF 1 OR MORE VEHICLES, ASK:

Q.29 Can you park all your vehicles on your lot?

Q.30 Can visitors park on your lot or on the street in front of your house?

Q.31 (a) Do you have a mortgage on this house?

IF YES, ASK:

(b) Approximately how much are your monthly carrying costs?

IF REFUSE, D.K., CODE 9999.

Q.32 NOTE SEX OF RESPONDENT

Q.33 ORIGINAL RESPONDENT INTERVIEWED

Vehicles	181
----------	-----

Yes	1
No	2

182

On Lot	1
On Street	2
Street and Lot	3
No Visitor Parking	4
Don't know, refuse	9

183

Yes	1
No	2
Refuse, D.K.	9

184

185	186	187	188	.00
-----	-----	-----	-----	-----

Male	1
Female	2

189

Yes	1
No	2

190

THANK YOU VERY MUCH FOR YOUR TIME. THOSE ARE ALL THE QUESTIONS I HAVE.
DO YOU HAVE ANY COMMENTS YOU WOULD LIKE TO MAKE?

INTERVIEWER NAME

INTERVIEWER NO.

191	192
-----	-----

APPENDIX B

B.1 Kingston Homeowners: Summary of Owner Groups

B.2 Kingston Questionnaire Summary Comparison: Conversion
Propensity/Non-Propensity

APPENDIX B

B.1 KINGSTON HOMEOWNERS

SUMMARY OF OWNER GROUPS

	<u>Recent Buyers</u> (n=38)	<u>Mature Families</u> (n=42)	<u>Empty Nesters</u> (n=13)	<u>Seniors</u> (n=9)
1.1 <u>Household Characteristics</u>				
1. average length of residency	4 yrs.	10 yrs.	23 yrs.	23 yrs
2. mortgage on house - yes	92%	67%	15%	0%
If yes: difficulty paying - yes	9%	7%	0%	0%
3. median household size - persons	3.2	3.1	1.9	1.6
4. average number of cars	1.6	1.6	1.8	1.0
5. average age of household head	35 yrs.	50 yrs.	59 yrs.	77 yrs
6. marital status: - single	3%	10%	8%	11%
- married	87%	87%	92%	73%
- other	11%	3%	0%	11%
7. household income: - under \$15,000	4%	3%	0%	43%
- \$15,000 to \$30,000	41%	40%	33%	57%
- \$30,000 to \$45,000	41%	31%	33%	0%
- over \$45,000	15%	26%	33%	0%
8. more than one wage earner - yes	60%	65%	64%	100%
9. sex of respondent - male	47%	55%	54%	44%

	<u>Recent Buyers</u>	<u>Mature Families</u>	<u>Empty Nesters</u>	<u>Seniors</u>
1.2 <u>Unit Characteristics</u>				
1. average age of unit	13 yrs.	18 yrs.	29 yrs.	33 yrs.
2. attached unit - yes	11%	2%	0%	0%
3. number of storeys - 1	55%	69%	54%	63%
- 1½	8%	5%	23%	25%
- 2	29%	26%	23%	12%
- 2 +	8%	0%	0%	0%
4. average number of rooms	8.9	9.3	9.3	7.2
5. average number of bedrooms	3.2	3.3	3.3	2.3
6. average number of unused rooms	0.4	0.2	0.5	0.3
7. average number of unused bedrooms	0.2	0.2	0.5	0.3

1.3 Attitudes

1. would consider renting room - yes	11%	10%	8%	0%
- no	82%	76%	92%	89%
- maybe/d.k.	8%	14%	0%	11%
2. would consider converting: - yes	8%	5%	8%	0%
- no	90%	93%	92%	100%
- maybe/d.k.	3%	2%	0%	0%

B.2 KINGSTON QUESTIONNAIRE

SUMMARY COMPARISON:

Conversion Propensity/Non-propensity

		<u>Consider renting out room or apt.</u>			
		(n=12)	(n=10)	(n=80)	(n=102)
		<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 1	Unit characteristics:				
	Type: - detached	92%	100%	95%	95%
	- semi	8%	0%	4%	4%
	- row	0%	0%	1%	1%
	Style: - bungalow	25%	40%	45%	42%
	- split	25%	25%	18%	19%
	- 1½ storey	17%	10%	9%	10%
	- 2 + storeys	33%	30%	28%	29%
Q. 2 (a)	Approximate age of unit:				
	- under 5 years	0%	10%	14%	12%
	- 5 to 10 years	8%	30%	13%	14%
	- 10 to 20 years	25%	30%	24%	25%
	- 20 to 30 years	33%	20%	15%	18%
	- 30 to 40 years	25%	0%	21%	20%
	- over 40 years	8%	10%	14%	13%
(b)	Length of residency:				
	- under 5 years	25%	20%	31%	29%
	- 5 to 10 years	50%	25%	30%	31%
	- 10 to 20 years	17%	40%	19%	21%
	- over 20 years	8%	20%	20%	19%
(c)	Number of homes owned:				
	- one (present home)	36%	70%	53%	53%
	- two	55%	20%	29%	31%
	- three	9%	10%	14%	13%
	- more than three	0%	0%	5%	4%

Yes Maybe No Total

Q. 3 (a) Number of motor vehicles:

- none	0%	0%	4%	3%
- one	50%	10%	53%	48%
- two	50%	60%	34%	38%
- more than two	0%	30%	10%	11%

(b) Number of vehicles that can be parked on lot:

- none	0%	0%	3%	2%
- one only	0%	0%	8%	6%
- two only	25%	10%	34%	30%
- three only	17%	20%	23%	22%
- more than three	58%	70%	32%	40%

(c) Street parking restrictions:

- none	42%	40%	53%	51%
- restricted hours	8%	40%	19%	19%
- other/snow route	25%	20%	17%	18%
- no parking	25%	0%	11%	12%

Q. 4 Rear lane access:

- yes	17%	0%	10%	10%
- no	83%	100%	90%	90%

Q. 5 (a) Other houses on the street:

- same	50%	50%	41%	43%
- different	50%	50%	59%	57%

(n=6) (n=5) (n=33) (n=44)

How different - attached	0%	0%	3%	2%
- detached	33%	40%	15%	21%
- both attached and detached	0%	20%	21%	18%
- older	33%	40%	6%	14%
- newer	17%	40%	12%	16%
- both older and newer	17%	0%	30%	25%
- longer	38%	0%	15%	16%
- smaller	17%	0%	9%	9%
- both larger and smaller	0%	80%	73%	64%

	<u>Yes</u> (n=12)	<u>Maybe</u> (n=10)	<u>No</u> (n=80)	<u>Total</u> (n=102)
Q. 6 (i) Average number of rooms per dwelling unit	10.5	10.0	8.7	9.0
(ii) Average number of bedrooms per dwelling unit	3.7	3.5	3.0	3.2
(iii) Rooms hardly ever used - yes	50%	10%	21%	24%
(iv) Unused basement rooms:				
- full bath	10%	0%	0%	1%
- rec room	20%	0%	3%	5%
- bedroom	0%	0%	1%	1%
- other room	10%	0%	0%	1%
(v) Unused first floor rooms:				
- living room	0%	0%	4%	3%
- bedroom	8%	0%	8%	7%
(vi) Unused second floor rooms: (if applicable)				
- living room	0%	0%	3%	3%
- dining room	0%	0%	3%	3%
- bedroom	33%	25%	17%	20%
(vii) Unused third floor rooms: (if applicable)				
- bedrooms	0%	0%	33%	33%
- other room	0%	0%	33%	33%
(viii) Total number of unused rooms:				
- none	58%	90%	79%	78%
- one	25%	10%	14%	15%
- two	8%	0%	5%	5%
- three	8%	0%	3%	3%
(ix) Total number of unused bedrooms:				
- none	75%	90%	85%	85%
- one	17%	10%	10%	11%
- two	8%	0%	4%	4%
- three	0%	0%	1%	1%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 6 (x) Total number of unused basement rooms:				
- none	70%	100%	96%	93%
- one	20%	0%	4%	6%
- two	10%	0%	0%	1%
(xi) Total number of unused first floor rooms:				
- none	92%	100%	89%	90%
- one	8%	0%	11%	10%
(xii) Total number of unused second floor rooms: (if applicable)				
- none	67%	75%	80%	77%
- one	33%	25%	17%	20%
- two	0%	0%	3%	3%
(xiii) Total number of unused third floor rooms: (if applicable)				
- none	100%	100%	33%	33%
- one	0%	0%	67%	67%
Q. 7 (a) Finished-off space in house - yes:				
- attic	0%	0%	4%	3%
- basement	33%	60%	15%	22%
- other	8%	0%	3%	3%
(b) Added rooms to exterior of house - yes:				
- living space	8%	0%	4%	4%
- bedroom	0%	10%	3%	3%
- other	0%	0%	1%	1%
Q. 8 Conversion in neighbourhood:				
- yes	42%	10%	19%	21%
- no	33%	70%	53%	53%
- don't know	25%	20%	28%	27%
Q. 9 Ever consider renting out room:				
- yes	75%	0%	0%	9%
- no	17%	10%	100%	81%
- maybe	8%	70%	0%	8%
- don't know	0%	20%	0%	2%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 9 Ever consider renting out room (cont'd)				
If yes: Why?				
- financial reasons	56%	-	-	-
- to help friends/relatives	44%	-	-	-
- have space available	22%	-	-	-
If no: Why not?				
- loss of privacy	-	-	52%	-
- no space	-	-	48%	-
- don't need money	-	-	9%	-
If maybe, don't know: What would precipitate renting out?				
- if needed money	-	44%	-	-
- if friend/relative needed room	-	56%	-	-

Note: Following questions are for yes and maybe groups only (n=20)

Q. 10 (a) Number of rooms likely to rent out:	
- one	78%
- two	11%
- don't know	11%
(b) Parking available:	
- yes	100%
(c) Parking locations:	
- driveway	75%
- street	30%
- front yard	5%
- back yard	5%
- garage	5%
- other	5%
Q. 11 (a) Preferred tenant types:	
- younger male	60%
- younger female	70%
- older male	35%
- older female	40%

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 11 (b) Most important tenant characteristics:				
- good character	41%			
- compatibility	24%			
- appearance	12%			
- non-smoker	6%			
- quiet	6%			
- other	12%			
Q. 12 Expected monthly rent:				
- average	\$117/month			
- don't know	65%			
Q. 13 Ever consider renting out apartment:				
- yes	50%	0%	0%	6%
- no	42%	90%	100%	92%
- maybe	8%	10%	0%	2%
- don't know	0%	0%	0%	0%
If yes: Why?				
- financial reasons	40%	-	-	-
- have space available	60%	-	-	-
If no: Why not?				
- no space	-	36%	-	-
- loss of privacy	-	27%	-	-
- illegal	-	4%	-	-
- too costly	-	4%	-	-
- don't need money	-	5%	-	-
- design of house not suited	-	4%	-	-
- would change character of house	-	7%	-	-
- too much trouble	-	5%	-	-
- other	-	7%	-	-
If maybe, don't know: What would precipitate renting out?				
- if needed money	-	67%	-	-
- if space were available	-	33%	-	-

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Note: Following questions are for yes and maybe groups only (n=8)				
Q. 14 Potential difficulties in converting house:				
- zoning regulations	33%			
- cost of converting	33%			
- basement apartment not desirable	17%			
- structural/design problems	17%			
- no difficulties	17%			
Q. 15 Location of potential apartment:				
- basement	100%			
- main floor	13%			
- garage	13%			
Q. 16 Provide separate entry to apartment:				
- yes	75%			
- not possible	13%			
- don't know	13%			
Q. 17 (a) Could tenants use backyard:				
- yes	100%			
(b) Parking available:				
- yes	100%			
(c) Location of parking:				
- driveway	100%			
Q. 18 (a) Estimated cost to convert:				
- average cost	\$7,400			
- don't know	13%			
(b) Source of financing for conversion:				
- savings	38%			
- loan	38%			
- don't know	25%			

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 19 (a) Who would do conversion work:				
- hire someone	38%			
- by self	50%			
- both	13%			
(b) If hire someone: How?				
- shop around	50%			
- ask friends	25%			
- past experience	25%			
Q. 20 Preferred tenant type:				
- younger male	50%			
- younger female	75%			
- single parent with child	38%			
- young couple	63%			
- two younger friends	38%			
- couple with small child	50%			
- couple with older child	50%			
- older couple	75%			
- older single person	75%			
Q. 21 Most important tenant characteristic:				
- good character	29%			
- appearance	29%			
- compatibility	14%			
- non-smoker	14%			
- responsible	14%			
Q. 22 Expected monthly rent:				
- average	\$251/month			
- don't know	25%			
Q. 23 How can government help:				
- grants	63%			
- low interest loans	25%			
- tax breaks	25%			
- don't know	25%			

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 24 If would consider both room and apartment (n=5):				
Preferred change:				
- rent room (less expensive)	40%			
- create apartment (more privacy)	20%			
- don't know	40%			
Q. 25 Agree with following statements:	(n=12)	(n=10)	(n=80)	(n=102)
(a) have too much extra space in house	50%	0%	1%	7%
(b) becoming very difficult to afford house	25%	0%	9%	10%
(c) living in house is sometimes lonely	25%	0%	9%	10%
(d) upkeep is very hard	17%	10%	11%	12%
(e) won't need a lot of space in a few years	58%	20%	14%	20%
Q. 26 (a) <u>If agreed to above:</u>	(n=9)	(n=4)	(n=25)	(n=38)
Will problems cause move in near future:				
- yes	44%	0%	16%	21%
- no	33%	50%	76%	63%
- don't know	11%	25%	4%	8%
(b) <u>If yes/maybe:</u>	(n=5)	(n=1)	(n=5)	(n=11)
- moving would not bother me	20%	100%	60%	46%
- rather stay in home	60%	0%	40%	46%
- don't know	20%	0%	0%	9%
(c) <u>If rather stay but in 'no' group:</u>				
Consider renting out a room:				(n=6)
- yes				17%
- no				88%
Consider converting:				
- yes				17%
- no				67%
- depends				17%
	(n=12)	(n=10)	(n=80)	(n=102)
Q. 27 Average household size: persons	3.8	3.8	3.2	3.3

	<u>Yes</u>	<u>Maybe</u>	<u>No</u>	<u>Total</u>
Q. 28 Children in household:				
- yes	83%	70%	53%	59%
- no	17%	30%	47%	41%
Average number of children (if yes):	2.1	2.0	1.8	1.9
Q. 29 (a) Mortgage on house:				
- yes	75%	60%	62%	64%
- no	25%	40%	38%	36%
(b) If yes: Difficulty paying:				
- yes	11%	0%	8%	8%
- no	89%	100%	92%	92%
	(n=10)	(n=6)	(n=47)	(n=63)
(c) Average monthly carrying costs:	\$598	\$330	\$548	\$535
Q. 30 Age of household head:	(n=12)	(n=10)	(n=80)	(n=102)
- under 30 years	9%	0%	11%	10%
- 30 to 39 years	18%	30%	22%	22%
- 40 to 49 years	36%	40%	22%	25%
- 50 to 64 years	36%	20%	32%	32%
- 65 years and over	0%	10%	14%	12%
Q. 31 Marital status:				
- single	0%	10%	8%	7%
- married	82%	80%	89%	87%
- other	18%	10%	4%	6%
Q. 32 (a) Household income:				
- under \$15,000	0%	10%	7%	6%
- \$15,000 to \$30,000	20%	30%	47%	41%
- \$30,000 to \$45,000	50%	40%	28%	32%
- over \$45,000	30%	20%	19%	21%
(b) More than one income:				
- yes	67%	80%	63%	65%
- no	33%	20%	37%	35%
Q. 34 Sex of respondent:				
- male	58%	50%	50%	51%
- female	42%	50%	50%	49%

INTRODUCTION: Hello, may I speak to _____?
(TRY FOR 50/50 MALE/FEMALE RESPONSE. IF NOT AT HOME
OR WRONG NUMBER, INTERVIEW ANY ADULT.)

Hello, my name is (YOUR NAME). We're doing
a study for the Ontario Ministry of Municipal Affairs and
Housing and I wonder if you would please take a few minutes
to give me your opinion on some important questions.

Q. 1 First of all could you tell me, do you rent or own your home?

RENT ☐

ASK:

Q. 2 Do you pay rent to the government or
other non-profit organization?

No ☐ > CONTINUE WITH Q. 3

Yes ☐ > TERMINATE
(IF OLD AGE HOME, NURSING HOME, ETC., TERMINATE)

Q. 3 Are you receiving government assistance
in meeting your rental payments?

No ☐ > CONTINUE, GO TO RENTER QUESTIONNAIRE (PINK)

Yes ☐ > TERMINATE

OWN ☐

ASK:

Q. 4 Do you live in a condominium or co-op?

No ☐ > CONTINUE WITH Q. 5

Yes ☐ > TERMINATE

Q. 5 Are there any self-contained suites or
apartments in your house?

No ☐ > CONTINUE WITH Q. 6

Yes ☐ > TERMINATE

Q. 6 Do you share your house with any unrelated
individuals or another family?

No ☐ > CONTINUE WITH Q. 7

Yes ☐ > TERMINATE

Q. 7 Are you a landlord or do you own another house which
you rent out?

No ☐ > CONTINUE, GO TO OWNER QUESTIONNAIRE (BUFF)

Yes ☐ > TERMINATE

NOTE: IF RESPONDENT SAYS HE OWNS DUPLEX AND RENTS OUT ONE OR BOTH UNITS,
TERMINATE.

CALL-BACK DATA

Call #	Date	Time	Inter-viewer #	Result of Call	Comments	Call #	Date	Time	Inter-viewer #	Result of Call	Comments
1.						5.					
2.						6.					
3.						7.					
4.						8.					

Interview Results: (INSERT CODE ABOVE)

Interview completed 1
Not at home, not available
(SPECIFY CALL BACK DATE & TIME) 2
Language barrier (SPECIFY LANGUAGE) 3
Incomplete interview 4

Refusal (SPECIFY REASON) 5
Not eligible (business, household
outside Metro, etc.) 6
Number not in service, changed number. 7
No answer, line busy 8

November 9-11, 1982

KINGSTON
MARKET STUDY - MOMAH/AMO

ERG

FOR EACH COMPLETED INTERVIEW, RECORD: TELEPHONE NUMBER _____

OWNER QUESTIONNAIRE

1-5

Q. 1 (a) Do you live in a...

READ	(a) detached unit,	1
	(b) semi-detached unit, or	2
	(c) row house (3 or more)	3
	(d) refuse, no answer	9

(b) Is it a...

READ	(a) bungalow/one storey,	1
	(b) split level (side or back),	2
	(c) storey and half,	3
	(d) two storeys,	4
	(e) two and one half or three storeys	5
	(f) refuse, no answer	9

Q.2 (a) Approximately how old is your house?

(PROBE FOR ESTIMATE. IF STILL DON'T KNOW,
ASK IF BEFORE OR AFTER WW II)

YEARS

Before WW II	1
After WW II	2
Don't know	9

(b) How long have you owned your house? RECORD YEARS
TO NEAREST FULL YEAR

YEARS

(c) How many homes have you owned before buying this one?

HOMES

Q.3 (a) How many motor vehicles do you have in your household?

Vehicles

(b) How many vehicles can you park on your lot?

Vehicles

(c) Can you park a car on the street in front
of your home? (PROBE FOR SPECIFICS.)

Yes, unrestricted	1
Yes, permit	1
Yes, metered	1
Yes, restricted hours with a sign	1
Yes, restricted hours without a sign	1
Yes, other (SPECIFY)	1
No	2
Don't know, no answer	9

Q.4 Do you have a lane in the back of your house?

Yes	1
No	2

Q.5 (a) Are the houses on your street pretty much the same as yours or are they different?

Yes, same	1
No, different	2

22

(b) IF DIFFERENT, ASK:

How are they different? (THE OTHERS ARE:)

DO
NOT
READ

Attached	1
Not Attached	2
Both, attached and not attached	3

23

Older	1
Newer	2
Both, older and newer	3

24

Bigger	1
Smaller	2
Both, bigger and smaller	3

25

Other (SPECIFY)	1
-----------------	---

26

Q.6 (a) Could you please tell me about the arrangement of the rooms in your house? Let's start with your basement: what rooms do you have in your basement? How about your first floor... your second floor...your third floor?

CIRCLE ALL THAT APPLY

<u>CIRCLE ALL THAT APPLY</u>	<u>Basement</u>	<u>First Floor</u>	<u>Second Floor</u>	<u>Third Floor</u>
Do not have a basement	1 27			
Kitchen	1 28	1 29	1 30	1 31
Full bathroom (sink, toilet, tub/shower)	1 29	1 30	1 31	1 32
Half bathroom (sink, toilet)	1 30	1 31	1 32	1 33
Living room	1 31	1 32	1 33	1 34
Dining room	1 32	1 33	1 34	1 35
Den/recreation/ family room	1 33	1 34	1 35	1 36
No. of bedrooms	37	38	39	40
No. of other rooms	41	42	43	44

PROBE

(b) Are there any of these rooms you hardly ever use?

Yes	1
No	2

60

IF YES, Which ones? Let's start with your basement. Now the first floor...the second floor... the third floor. (ASK ONLY WHAT IS APPLICABLE)

	<u>Basement</u>		<u>First Floor</u>		<u>Second Floor</u>		<u>Third Floor</u>	
Kitchen	1	41	1	42	1	43	1	44
Full bathroom (sink, toilet, tub/shower)	1	42	1	43	1	44	1	45
Half bathroom (sink, toilet)	1	43	1	44	1	45	1	46
Living room	1	44	1	45	1	46	1	47
Dining room	1	45	1	46	1	47	1	48
Den/recreation/ family room	1	46	1	47	1	48	1	49
No. of bedrooms		47		48		49		50
No. of other rooms		48		49		50		51

PROBE

Q.7(a) Have you increased the living space of your house by finishing off your attic, basement, or other unfinished space?

CIRCLE ALL THAT APPLY

PROBE

Attic	1	93
Basement	1	94
Other (SPECIFY)	1	95

(b) Have you added any rooms to the exterior of your house since you bought it?

Yes	1
No	2

96

(c) IF YES, ASK: What exactly did you do? _____

97	98
99	100

Q.8 One of the things we're interested in looking at is the renting out of rooms or apartments in existing houses. Do you know if this has been occurring at all in your neighbourhood?

Yes	1
No	2
Don't know	9

101

Q.9 (a) Would you ever consider renting out a room in your house or taking in a roomer?

(b) Yes	1
(c) No	2
(d) Maybe/depends	3
Don't know	9

102

(b) IF YES, ASK:
Why would you do this?

103	104
105	106

GO TO Q.10

(c) IF NO, ASK: Why wouldn't you consider this?

107	108
109	110

GO TO Q.13

(d) IF MAYBE/DEPENDS, DON'T KNOW, ASK: What would make you consider doing this?

111	112
113	114

GO TO Q.10

Q.10 (a) If you were to take in roomers, how many rooms do you think you would likely rent out? (IF DON'T KNOW, CODE 9)

ROOMS

115

(b) Would there be parking available for a roomer?

Yes	1
No	2
Don't know	9

116

(c) IF YES, ASK: Where would the parking be located?

CIRCLE ALL THAT APPLY

Driveway	1	117
Front yard	1	118
Back yard	1	119
Street	1	120
Garage	1	121
Other	1	122

- Q.11 (a) If you were to take in one or more roomers, what kind of people would you want to rent to? Would you consider renting a room to...
- | | Yes | No | D.K.,
Not Sure |
|----------------------|-----|----|-------------------|
| (a) a younger male | 1 | 2 | 9 125 |
| (b) a younger female | 1 | 2 | 9 127 |
| (c) an older male | 1 | 2 | 9 125 |
| (d) an older female | 1 | 2 | 9 126 |
- CIRCLE

- (b) What would be most important to you about a person in deciding whether or not to rent out a room to them?

128 129

- Q.12 Approximately how much rent do you think you could get for a room in your house?

\$/mon. _____ .00

131 132 133

- Q.13 (a) Would you ever consider creating a private, self-contained apartment with its own kitchen and bathroom in part of your house and renting it out?

(b) Yes	1
(c) No	2
(d) Maybe/depends	3
(d) Don't know	9 134

- (b) IF YES, ASK: Why would you do this?

GO TO Q.14

135 136

- (c) IF NO, ASK: Why wouldn't you consider this?

GO TO Q.25, p.7

137 138

- (d) IF MAYBE/DEPENDS, DON'T KNOW, ASK: What would make you consider doing this?

GO TO Q.14

139 140

- Q.14 What difficulties do you think you might run into in creating a private, self-contained apartment in your house?

141 142

- Q.15 If you were to create a private, self-contained apartment, in which part of your house would that be?

CIRCLE ALL THAT APPLY

Bsmt.	1	143
Main flr.	1	144
2nd flr.	1	145
3rd flr.	1	146
Not sure, don't know	1	147
Other (SPECIFY) _____	1	148

- Q.16 If you were to create a private, self-contained apartment, would you want to provide a separate, private entry?

Yes	1
Yes, but not possible	2
No	3
Don't know	9 149

Q.17 (a) Would the tenants be allowed to use your backyard?

Yes	1
Maybe/depends	2
No	3
Don't know	9

150

IF ANSWERED IN 1Q(b), P. 3, GO TO Q.18

(b) Would there be parking available for a tenant?

Yes	1
No	2
Don't know	9

151

(c) IF YES, ASK: Where would the parking be located?

CIRCLE ALL THAT APPLY

Driveway	1	152
Front yard	1	153
Back yard	1	154
Street	1	155
Garage	1	156
Other (SPECIFY)	1	157

Q.18 (a) As you can appreciate, creating a private, self-contained apartment in your house could involve some changes, such as putting in a kitchen, a bathroom, private entry or making an addition. Approximately, how much do you think it would cost you to create a private, self-contained apartment in your house? (IF D.K., CODE 99,000)

\$,000.00
158 159

(b) Would you pay for these changes out of your savings, or would you have to borrow the money to do it?

(CIRCLE ONE ONLY)

PROBE

Savings	1
Borrow	2
Both	3
Other (SPECIFY)	4
Don't know	9

160

Q.19 (a) Would you hire someone to make these changes or would you do the work yourself?

Hire someone	1
Do work self/ family/friends	2
Both	3
Don't know, depends	9

161

(b) IF HIRE SOMEONE, BOTH, ASK: How would you go about hiring someone?

 ,000
162 163

Q.20 If you were to create a private, self-contained apartment, what kind of tenants would you want to rent to? Would you rent to . . .

Yes No Not Sure, D.K.

a younger male	1	2	9	184
a younger female	1	2	9	185
a single parent with a child	1	2	9	186
a young couple	1	2	9	187
two younger friends	1	2	9	188
a young couple with a small child	1	2	9	189
a couple with an older child	1	2	9	190
an older couple	1	2	9	191
an older single person	1	2	9	192

Q.21 What would be most important to you about a person in deciding whether or not to rent out an apartment to them?

193 194

Q.22 Approximately, how much monthly rent do you think you could get for an apartment in your house?
IF DON'T KNOW, REFUSE, CODE 9999.

\$/mon. _____ .00

195 196 197 198

Q.23 If you wanted to create a self-contained apartment in your house, how could the government help you to do so?

199 200

201 202

Q.24 IF CONSIDER RENTING A ROOM (YES TO Q.9(a), p.3 AND IF CONSIDER CREATING AN APARTMENT (YES TO Q.13(a), p.4, ASK:

(a) In thinking about either renting out a room or creating a private, self-contained apartment in your house, which would you prefer to do?

Rent room	1	183
Create an apartment	2	
Do both	3	
Don't know/not sure	9	

(b) Why do you say that? _____

203 204

Q.25 Now I'd like you to tell me if you agree or disagree with the following statements about your house:

	Agree	Disagree	D.K. N.A.	
(a) I have too much extra space in this house	1	2	9	126
(b) It is becoming very difficult for me to afford to live in this house	1	2	9	127
(c) Living in a house like mine can be lonely sometimes	1	2	9	128
(d) It is becoming very hard for me personally to take care of the upkeep and maintenance of this house	1	2	9	129
(e) It won't be too many years before I won't need a lot of the space I have in this house	1	2	9	130

IF DISAGREE IN ALL OF 25, GO TO Q.27

IF AGREE IN 1 OR MORE IN 25, ASK:

Q.26 (a) Do you think any of these problems will cause you to move in the near future?

GO TO Q.27

Yes	1
Maybe	2
No	3
Don't know/ not sure	9

IF YES/MAYBE, ASK:

(b) Would having to move not bother you or would you rather stay in your present home?

Moving would not bother me	1
Rather stay in present home	2
Don't know, no answer	9

IF RATHER STAY, BUT WOULD NOT CONSIDER RENTING OUT A ROOM IN Q.9(a), p.3, ASK:

(c) Do you think you would consider renting out a room if it would help you to be able to stay in your home?

GO BACK TO Q.9-12, p.3,
AND THEN TO 26(d)

Yes	1
No	2

IF RATHER STAY (in b), BUT WOULD NOT CONSIDER CREATING A PRIVATE, SELF-CONTAINED APARTMENT IN Q.13, p.4, ASK:

(d) Do you think you would consider creating a private, self-contained apartment you could rent out if it would help you to be able to stay in your home?

GO BACK TO Q.14-24, p.4,
AND THEN TO Q.27

Yes	1
No	2
Depends	3
Don't know	9

Q.27 I just have a few more questions. Could you tell me how many people, including yourself, live in this house? IF REFUSE, CODE 99.

IF 2 OR MORE PEOPLE, ASK:

Q.28 (a) Do you have any dependent children living in your house?

IF YES, ASK: (b) How many children live in your house?

PERSONS

197	198

Yes	1
No	2
Refuse	9

197

CHILDREN

198

Q.29 (a) Do you have a mortgage on your house?

IF YES, ASK:

(b) Are you finding any difficulty in meeting monthly mortgage payments at the present time?

Yes	1
No	2
Refuse, D.K.	9

199

Yes	1
No	2
Refuse	9

200

(c) Approximately how much are your monthly carrying costs?

IF REFUSE, D.K., CODE 9999.

201	202	203	204	.00

Q.30 What is the age of the head of your household? (IF NO HEAD, ASK RESPONDENT'S AGE) (IF REFUSE, CODE 99)

Years

205	206

Q.31 What is your marital status?

Single	1
Married	2
Other (Widowed, Divorced, Separated)	3
Refuse	9

207

Q.32(a) Was the total income before tax of all the members of your household over or under \$30,000 last year?

Over \$30,000	1
Under \$30,000	2
Refused	9

248

IF OVER \$30,000, ASK: Was it over \$45,000?

Over \$45,000	1
Under \$45,000	2
Refused	9

249

IF UNDER \$30,000, ASK: Was it over \$15,000?

Over \$15,000	1
Under \$15,000	2
Refused	9

250

(b) Does this include income from more than one person?

Yes	1
No	2
Refuse	9

251

Q.33 Could you tell me your postal code?

CODE

--	--	--	--	--	--

252 253 254 255 256 257

IF NO CODE, ASK:

Could you then tell me the nearest major intersection to where you live?

INTERSECTION: _____
AND _____

--	--

258 259

Q.34 NOTE SEX OF RESPONDENT

Male	1
Female	2

260

Thank you very much for your time. Those are all the questions I have.
Do you have any comments you would like to make?

Could I please get your name in order that this interview can be verified by my supervisor?

INTERVIEWER NAME _____

INTERVIEWER NO.

--	--

261 262

APPENDIX C

- C.1 Summary of Questionnaire: Telephone Survey Analysis - Toronto and North York Renters
- C.2 Summary of Renter Groups
- C.3 Summary of Follow-up Questionnaire: Toronto and North York Renters

Footnote

Study Methodology includes survey of "Tenant Demand for Rental Accommodation in Converted Dwellings"
Part 3.4, Vol. 6

METHODOLOGY

Introduction

During the fall of 1982, Environics Research Group Limited conducted a two-stage study of the housing market, in relation to conversion and infill in the Cities of Toronto and North York, and a one-stage study in the City of Kingston. Both telephone and personal interviewing techniques were used. The different stages of the study are described below under Questionnaire Design.

Questionnaire Design

There were several questionnaires used in the implementation of this study; all were designed in close consultation with members of the study team.

- 1) General Screening Questionnaire: This questionnaire determined eligibility of owners and renters to participate in the study. Home-owners were required to live in houses which were not condominiums or co-ops. They were not to be landlords or share their accommodation with unrelated individuals or have self-contained apartments within their house. Renters were required to be renting from a private individual or company and not receiving government assistance to meet rental payments.
- 2) Toronto/North York Owner Screening Questionnaire: This questionnaire was designed to determine potential suppliers of converted dwellings.
- 3) Toronto/North York Renter Screening Questionnaire: This questionnaire was designed to determine potential demand for a rental apartment or room within a house.

4) Toronto/North York Owner Follow-Up Questionnaire: This questionnaire was designed based on data from the screening questionnaire, and followed up on identified potential converters asking specific questions related to creating private, self-contained apartments in their homes or renting out rooms.

5) Toronto/North York Renter Follow-Up Questionnaire: This questionnaire was designed based on data from the screening questionnaire and followed up on identified potential renters of apartments or rooms in homes and also asked questions probing purchase of homes with self-contained apartments or the possibility of creating them within a home. It also asked questions concerning renting out a room within a home.

6) Kingston Owner Questionnaire: This questionnaire was a combination of the screening and follow-up questionnaires of the Toronto/North York Study.

7) Kingston Renter Questionnaire: This questionnaire was a combination of the screening and follow-up questionnaires of the Toronto/North York Study.

Each phase of the study was pre-tested on 25 respondents and questionnaires were revised based on pre-test results, interviewer suggestions and study team requests. Questionnaires varied in length from 10 to 30 minutes.

Sample Selection

The original sampling was designed in order to obtain 1,000 screening interviews in Toronto and North York, of 500 owners and 500 renters, with a follow-up of 150 owners and 150 renters.

The Kingston sampling was designed to obtain 200 interviews, of 100 owners and 100 renters.

Households were randomly selected from the most recent telephone directories and an attempt was made to achieve equal numbers of male and female adult owners and renters.

A total of 2,596 numbers were selected in Toronto and North York to achieve 1,000 interviews. Of the 512 owners interviewed in the screen, 258 were identified for follow-up. Of the 504 renters interviewed, 260 were identified for follow-up.

Telephone and Personal Interviewing

The screening phase of the Toronto/North York Owner/Renter Market Study was conducted by experienced interviewers at the ERG telephone workshop September 13-20, 1982.

The Toronto/North York Owner Telephone Follow-Up was also conducted at the ERG telephone workshop October 26-28, 1982.

The Toronto/North York Renter Personal In-Home Follow-Up was conducted November 1-15, 1982.

The Kingston Owner/Renter Market Study was conducted by telephone November 9-16, 1982 at the offices of the Ministry of Municipal Affairs and Housing using inter-city telephone lines.

Field supervisors were present at all times to ensure accurate interviewing and recording of responses. Periodic monitoring of calls and interviews allowed for quality control. Five calls were made to a household before classifying it as a "no answer."

All questionnaires were checked for accuracy and consistency. Experienced research assistants coded open-ended responses to all questionnaires which were then checked by supervisors before being keypunched (with 100% verification) and analysed.

Completion Results

a) Toronto/North York Telephone Owner/Renter Screen

A total of 1,016 interviews were completed, with 512 owners and 504 renters.

The table below presents the detailed results.

The effective response rate for the survey is 56% (the number of completed interviews, 1016, divided by the total sample, 2596, minus the number of non-valid/non-residential numbers, 21, the numbers not in service/changed numbers, 213, interviews terminated as unqualified, 342, and interviews terminated as sex or owner/renter quota filled, 195).

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	2,596	100
Non-valid/Non-residential	21	1
Numbers not in service/changed numbers	213	8
Interviews terminated as unqualified	342	13
Interviews terminated as sex and owner/renter quota filled	195	8
Sub-total	771	30
New base	1,825	100
No answer/line busy/respondent not available	251	14
Language barrier	147	8
Incomplete interview	16	1
Refusals	395	22
Sub-total	809	44
Net completions (1,825 - 809)	1,016	(55%)
Owners	(512)	
Renters	(504)	

b) Toronto/North York Telephone Owner Follow-Up

A total of 194 interviews were completed.

The table below presents the detailed results.

The effective response rate for the survey is 77% (the number of completed interviews, 194, divided by the total sample, 258, minus the numbers not in service/changed numbers, 5).

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	258	100
Numbers not in service/changed numbers	5	2
New base	253	100
No answer/line busy/respondent not available	15	6
Incomplete interview	12	5
Refusals	32	13
Sub-total	59	
Net completions (253 - 59)	194	(77%)

c) Toronto/North York Renters Personal Interview Follow-Up

A total of 156 interviews were completed.

The table below presents the detailed results.

The effective response rate for the survey is 63% (the number of completed interviews, 156, divided by the total sample, 260, minus the numbers not in service/changed numbers, 13).

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	260	100
Numbers not in service/changed numbers	13	5
New base	247	100
No answer/line busy/respondent not available	39	16
Refusals	52	21
Sub-total	91	37
Net completions	156	(63%)

d) Kingston Telephone Owner/Renter Survey

A total of 202 interviews were completed, with 102 owners and 100 renters.

The table below presents the detailed results.

The effective response rate for the survey is 57% (the number of completed interviews, 202, divided by the total sample, 521, minus the number of non-valid/non-residential numbers, 3, the numbers not in service/changed numbers, 28, interviews terminated as unqualified, 75, and interviews terminated as sex or owner/renter quota filled, 59.

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	521	100
Non-valid/non-residential	3	1
Numbers not in service/changed numbers	28	5
Interviews terminated as unqualified	75	14
Interviews terminated as sex and owner quota filled	59	11
Sub-total	165	32
New base	356	100
No answer/line busy/respondent not available	80	22
Language barrier	7	2
Incomplete interview	11	3
Refusals	56	16
Sub-total	154	43
Net completions	202	(57%)
Owners	(102)	
Renters	(100)	

PART 3.3.3

THE CONSTRUCTION INDUSTRY

Prepared by:
Clayton Research

3.3.3 THE CONSTRUCTION INDUSTRY

1.0 INTRODUCTION

This section presents an examination of the capability of the building industry to undertake the type of conversion activity under study in an efficient and cost-effective manner.

2.0 VOLUME OF BUILDING ACTIVITY

The market study indicated that the overall proportion of homeowners who would consider renting out a room or converting space into an apartment was:

- Renting out a room:
 - 10 percent of homeowners in Toronto and North York;
 - 9 percent of homeowners in Kingston.
- Converting space into an apartment:
 - 5 percent of homeowners in Toronto and North York;
 - 6 percent of homeowners in Kingston.

The building activity involving in renting out a room in a dwelling (Model 1) would be negligible. However, converting space into an apartment (as in Models 2 and 4) in most cases, involves a significant amount of building work. The section on economic feasibility of conversions suggested that the construction costs associated with the various types of conversion activity varied between \$10,000. to create a "granny" flat and up to \$25,000. for one of the duplex models. The average costs would appear generally to be in the \$15,000. per unit range, well above the \$5,800. (Toronto and North York) and \$7,400. (Kingston) estimated by the homeowners who indicated that they would consider converting space in their dwelling.

It seems likely that only a fraction of those who indicated that they would consider converting their dwelling would, in fact, do so even if it was demonstrated to them that conversion was both economically feasible and could be undertaken with minimal loss of privacy. On the other hand, such conversions could have a "demonstration effect" which would encourage others to undertake such activities. For the sake of illustration, two different rates of take-up are assumed for conversion of space into a separate dwelling:

- 2.5 percent of all owner-occupied grade-related dwellings in Ontario urban centres (half the number shown to be willing to consider such a conversion); and
- 5 percent of all owner-occupied grade-related dwellings in Ontario urban centres.

The following table presents illustrative estimates of the number of dwelling units which would be created under the above two assumed take-up rates. As well, estimates are presented on the number of dwellings which might rent out a room (Model 1) under similar assumed take-up rates; i.e., 10 percent of all owner-occupied grade-related dwellings as indicated by the market survey and half that rate (5 percent).

ILLUSTRATIVE ESTIMATES OF CONVERSION ACTIVITY, CASE STUDY AREAS AND URBAN ONTARIO (000's OF DWELLING UNITS)

	<u>Toronto</u>	<u>North York</u>	<u>Hamilton</u>	<u>Ottawa</u>	<u>Kings ton</u>	<u>Wood- stock</u>	<u>Urban Ontario</u>
Owner-Occupied Grade-Related Stock 1981	88.0	86.4	60.2	40.9	8.2	6.2	1,219.9
Conversion to Add Units:							
@ 2.5 percent	2.2	2.2	1.5	1.0	0.2	0.2	30.5
@ 5.0 percent	4.4	4.3	3.0	2.0	0.4	0.3	61.0
Conversion to Rent Rooms:							
@ 5.0 percent	4.4	4.3	3.0	2.0	0.4	0.3	61.0
@ 10.0 percent	8.8	8.6	6.0	4.1	0.8	0.6	122.0
Rental Apartment Stock 1981	111.9	78.6	37.0	53.4	8.9	1.8	684.2
Apartment Completions							
1976	2.5	3.0	2.5	0.0	0.2	0.1	26.3
1977	1.3	1.6	1.6	0.9	0.6	0.2	25.0
1978	3.1	1.3	0.9	2.0	0.4	0.0	28.6
1979	2.6	2.6	0.2	1.5	0.1	0.0	26.5
1980	3.3	2.0	0.0	0.4	0.2	0.0	18.8
1981	1.8	1.1	0.0	0.1	0.4	0.0	11.5
Average 1976 - 1981	2.4	1.9	0.9	0.8	0.3	0.1	22.8
Average 1980 - 1981	2.6	1.6	0.0	0.3	0.3	0.0	15.2

Source: 1981 Census of Canada, CMHC and estimates by Clayton Research Associates.

If any of the assumed take-up rates is actually realized, a significant number of new dwelling units or rental rooms could be added to the rental housing stock in all case study areas and in Urban Ontario as a whole:

- At a 2.5 percent take-up rate for the owner-occupied grade-related stock, 30,500 additional dwelling units would be created in Urban Ontario. This is equivalent to 4.5 percent of the tenant-occupied apartment stock in 1981 and is twice the average annual level of apartment completions (including both rental and condominium units) in the 1980-1981 period.

- . At a 5 percent take-up rate, 61,000 additional dwelling units would be created in Urban Ontario, equivalent to almost 9 percent of the rental apartment stock in 1981 and four times the annual levels of apartment completions in the 1980-1981 period.
- . The number of dwellings where rooms could be added is even more significant but begs the question about whether there would be a demand for this number of rooms at the level of rent which potential converters might expect.

The physical volume of units which might be created through conversion, though impressive, is probably less significant than the cost involved in their creation compared to the costs of building new rental apartment units. With construction costs for conversions ranging from zero for renting rooms up to an average of around \$15,000. for a typical conversion to create an additional dwelling unit, it seems clear that the low creation costs of conversions compare very favourably with those of rental units in new buildings. These lower costs are inevitably reflected in lower break-even rents which could create more affordable rental accommodation; this at a time when new rental projects are stalled because the low market rent structure renders relatively high-cost new projects uneconomic - conversions appear to offer an attractive alternative from an economic point of view.

The physical volume of construction activity associated with the conversion of the number of dwellings indicated in the table would be significant.

- . To convert 30,500 dwellings (the 2.5 percent take-up scenario) at an assumed average construction cost of \$15,000. each would generate \$457.5 million worth of construction activity.
- . To convert 61,000 dwellings at the same average costs would generate \$915. million of construction activity.

It must be borne in mind, however, that these volumes of activity assume that all work is done by contractors. The market survey indicated that half the owners in Kingston who would consider creating an apartment in their home would do all the work themselves and a further 13 percent would hire someone to help them; only 38 percent would hire someone to do all the work. In Toronto and North York, the figures were somewhat different; half the owners would hire a contractor to do all the work and a further 17 percent would hire someone to help them. It would appear that, overall, somewhere between 40 percent and 60 percent of the actual conversion work would be done by contractors. Also, of course, these conversions would not all occur within a span of one or two years; they would probably extend over several years. For comparison purposes, the table below presents the latest Statistics Canada estimates of expenditures on new residential construction and alterations, improvements and conversions in Ontario over the 1976-1982 period.

CAPITAL EXPENDITURES IN HOUSING
ONTARIO 1976-1982 (\$MILLIONS)

	New Dwellings		Alterations, Improvement and Conversions	
	Current Dollars	Constant 1982 Dollars*	Current Dollars	Constant 1982 Dollars*
1976	2,755.6	4,277.1	670.5	1,028.5
1977	2,855.6	3,949.3	644.4	891.2
1978	2,748.5	3,537.3	692.2	890.9
1979	2,503.0	2,993.6	779.4	932.2
1980	2,219.5	2,516.9	712.0	807.4
1981 (Preliminary)	2,743.2	2,847.4	841.4	973.4
1982 (Forecast)	2,495.0	2,495.0	858.8	858.0

* To determine the constant 1982 dollar equivalent expenditure, the current dollar expenditure was adjusted using Statistics Canada's implicit price index for residential construction.

Source: Statistics Canada and estimates by Clayton Research Associates.

The decline in the volume of new residential construction in Ontario in recent years is clearly evident in the figures. No doubt, when the current slump in the industry subsides, residential construction expenditures will rise above their current level but they are unlikely to return to the very high levels of the mid-1970's.

Realistically, it is unlikely that the construction expenditures resulting from the volume of conversion activity assumed earlier in this section would rise above \$100 million annually. From this perspective, it seems likely that the residential construction industry as a whole could accommodate such increased expenditures with little trouble. Such a level of activity could, however, place some strains on that segment of the industry which concentrates on alterations, improvements and conversions. The real question is whether parts of the industry currently geared to new construction could adapt toward increasing amounts of conversion-type activity, away from new construction. The answer is probably yes.

3.0 UNIQUE CHARACTERISTICS OF CONVERSION/RENOVATION BUILDING CONSTRUCTION

Conversions and renovations are similar types of activities which face similar problems and constraints; they are both, however, quite different from new construction. Some of the major differences are:

- . Each conversion construction job is one-of-a-kind whereas new construction typically involves some volume of similar units so economies of scale can be realized;
- . Working on a conversion in a built-up area involves a considerable number of extra problems and often requires a great deal of ingenuity not to mention public relations skills in dealing with the owner, with neighbours and with the municipal bureaucracy;
- . Construction techniques and materials used for the original structure are often different from those commonly available today, especially in this new metric age, attempts to match the original work can sometimes be more difficult than replacing the item entirely; and
- . Financing for conversions or renovations is generally viewed differently by lending institutions than financing for new construction. This is a complex topic which will be dealt with in a separate section below.

Leaving the financing considerations aside, these differences, while important, do not appear to place serious constraints on the amount of conversion activity from the total industry perspective. It is evident that conversions are a different type of activity from new construction, but entrepreneurs and building tradesmen are flexible enough to meet the demands for additional conversion activity should they emerge.

It is a commonplace notion in discussions about the types of construction firms which can successfully undertake one-of-a-kind types of building activity, that the large builders (which tend to dominate new construction) do not have the flexibility to provide the necessary on-the-spot decisions required in these types of work. The argument is persuasive, however, there is no shortage of the types of smaller residential building firms in Ontario who could undertake such activity. The following table presents Statistics Canada estimates of the number of residential general building contracting firms in Ontario in 1980 by the size of the operation.

RESIDENTIAL BUILDING CONTRACTING INDUSTRY BY SIZE GROUP, ONTARIO, 1980*

<u>Gross Operating Revenue (\$000)</u>	<u>Number of Firms</u>	<u>Average Value of Construction Output (\$000)</u>	<u>Percent of Total Output By Industry</u>
10 - 249	2,580	79.	13.9
250 - 499	413	344.	9.6
500 - 749	141	612.	5.9
750 - 999	64	855.	3.7
1,000 - 1,999	94	1,375.	8.8
2,000 - 9,999	61	3,686.	15.2
10,000 and over	18	35,138.	42.9
Total	3,371	437.	100.0

* These statistics do not cover all firms engaged in residential building work; they cover only those firms which specialize in residential building. Therefore, many firms (e.g., special trade contractors) who undertake residential contracting work as well are excluded.

Source: Statistics Canada.

Clearly, there are many small residential building contracting firms in existence. These are firms which, while they may not specialize in conversion or renovation types of work would, in most cases, be prepared to undertake such work if it were considered to be profitable. There may be an information role here for government in equipping these firms with the special types of skills and procedures necessary to undertake conversion/renovation work. Especially important in this regard would be instructions on the types of procedures required in gaining approval for the work from the municipality. Similarly, a program to instruct homeowners in the important things to consider when a) deciding to convert and b) choosing a contractor would probably be of assistance.

Materials and labour do not appear to be a problem at present. Construction materials are available in a sufficiently wide range that almost any building can be added onto if not using the identical material then using something sufficiently close. Labour is always available in a time of a slump in the industry, in boom times the opposite occurs. This is not a problem of conversion/renovation, it is a problem for the construction industry as a whole. Certain trades are likely to be in short supply when an upturn in construction occurs and this is likely to hurt the one-dwelling conversion job harder than the new builder with a large number of dwellings in one place. This is more a matter of the scheduling problem of small jobs than of the difficult nature of conversion work but it will present problems for conversion work in terms of high activity in the construction industry as a whole.

Financing however, does appear to present problems for conversion activity and this is dealt with in the next section.

4.0 FINANCING PROBLEMS

Conventional lenders are apprehensive about renovations. Speculation situations, where an investor purchases a house with the intention of major renovation and re-sale, although this type of activity has reduced substantially in the present economic market, represent the greatest set of fears from lenders. However, renovations undertaken by conventional homeowners are also perceived as somewhat risky.

The major concerns of lenders are:

- any loans in non-urban areas since they consider these weak markets with higher servicing costs per loan;
- lack of faith in the skills of most renovators to carry out the work within the initially stated cost estimates;
- in circumstances where the property is gutted and its value therefore drops prior to completion, all lenders are reluctant to provide any form of interim financing and will consider loans on a completion basis only;
- uncertainty in the skills of municipal inspectors to deal with renovation circumstances to ensure adequate workmanship;

Consequently, private financing for renovation is often at higher rates than more conventional mortgages.

However, with over 50% of the current housing stock over 20 years of age and more than one in five over 50 years of age, the physical need for renovations is strong and will be growing over the next 10-20 years steadily. A May, 1980 CMHC analysis suggested that the total renovation potential and need in Canada over the 1980-2000 year period was approximately \$230. billion.

Private financing should form the basis for renovation activity, not public funding. A scheme whereby the risk factor under current circumstances could be reduced through mortgage insurance packaging could be introduced to facilitate private investment.

Such a scheme would involve the following steps:

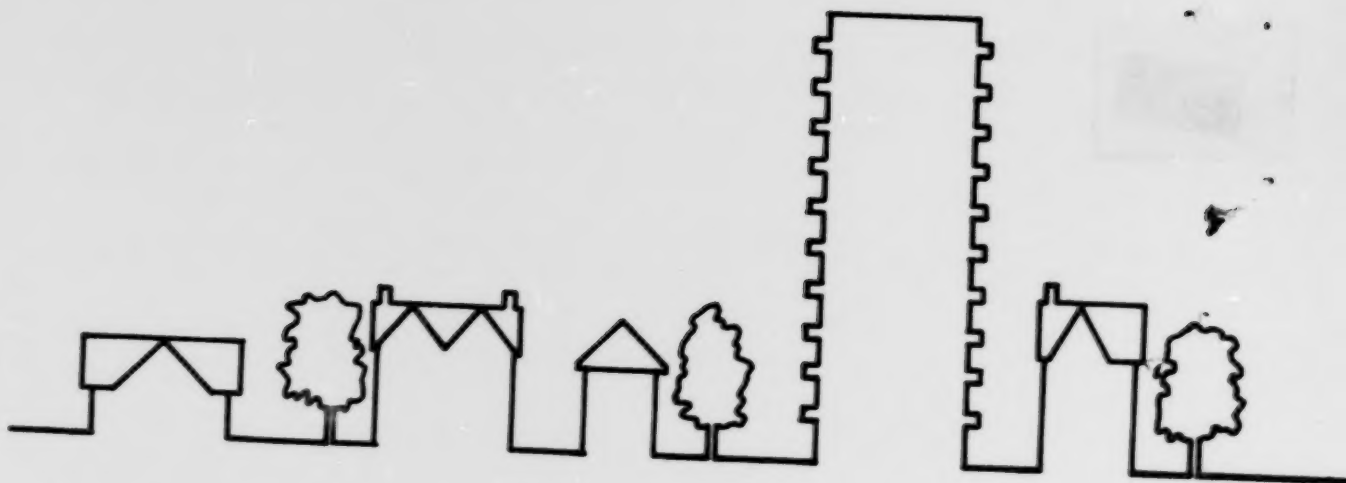
1. Establishment by the mortgage insurance firms of a plan whereby an additional premium of, for example, 1/2 of 1 percent would be charged to an applicant requiring both interim and completion loans for renovation purposes. In turn, private lenders would then provide the capital but the risk would be with the mortgage insurer.
2. In order to establish such a plan, a reserve must be developed to finance defaults. Senior officials of the Mortgage Insurance Co. of Canada have estimated that the value of defaults would exceed the aggregate value of premiums until approximately the end of the 5th year. They are quite keen on such a scheme but have asked that the Province consider providing a reinsurance fund for that initial five year period until the reserve could be self-sustaining.

3. Estimated cost of the reinsurance would be about \$2.5 million per year or a total of \$12.5 million for the five year period. These estimates are based on a minimum \$100. million renovation expenditure per year or \$500. million over 5 years. The job creation factor for this work would be considerable.

It would be very consistent for the Province to share the initial risk with the private sector since renovation activity has a very high job creation factor which, in turn, would provide Provincial revenues through direct and indirect taxes on materials, personal incomes and retail products.

Number/ Numéro

4



STUDY OF RESIDENTIAL INTENSIFICATION AND RENTAL HOUSING CONSERVATION

PART 3 : RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

3.4: TENANT DEMAND

PREPARED FOR
THE ONTARIO MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING
AND THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

BY
KLEIN & SEARS
ENVIRONICS RESEARCH GROUP
CLAYTON RESEARCH ASSOCIATES
LEWINBERG CONSULTANTS
WALKER, POOLE, MILLIGAN

MARCH 1983

VOLUME 6

NOTE:

This is a consultants' report. Any statements or opinions expressed herein are those of the writers or of persons quoted and, unless otherwise noted, are not necessarily endorsed by the Ministry of Municipal Affairs & Housing, Government of Ontario, or the Association of Municipalities of Ontario.

FOREWORD

This study was commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. Funding for the study was provided by the Ontario Ministry of Municipal Affairs and Housing through the Housing Renovation and Energy Conservation Unit of the Community Housing Wing. The Ministry's chief representative on the study was Mr. George Przybylowski of the Housing Renovation and Energy Conservation Unit. In this capacity, Mr. Przybylowski was the prime client contact throughout the study process and the consultants wish to express their gratitude to him for his considerable personal commitment to this study and the many creative and useful suggestions he made during the course of the investigations.

The findings, conclusions and recommendations contained in the various volumes of the study report are those of the consultants as are any factual errors they may contain. The report does not constitute Ontario Government or A.M.O. policy but is a report to these two organizations for their consideration.

Peter G. McInnis
Study Director

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GENERAL INTRODUCTION

This document forms one volume of an eleven volume study report commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario (A.M.O.) in July, 1982. The prime objectives of the study were:

1. To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods.
2. To examine some of the major forces at work that have and could threaten the conservation of the existing stock of rental housing and the tenants that occupy this stock.

These objectives were formulated in response to concerns on the part of the Ministry and A.M.O. regarding recent and emerging trends in housing and urban development and population growth and change in Ontario.

It is safe to assume that there will continue to be a demand for more rental and ownership housing units in Ontario during the 1980's and 1990's due to both an absolute increase in population and an increase in the number of households. However, there is growing evidence that this demand could be different in nature than during the last decade. While demand will continue to be focused in urban areas, there will likely be increasing pressure for inner city housing particularly in the larger urban centres such as Toronto, Ottawa and Hamilton. Also, households are getting smaller and older; and more people are beginning to accept the prospect of never being able to afford to own a home. These trends suggest that there will be an increasing demand for smaller dwellings. While consumer preference information may not support this, the general state of the economy and the future affordability of housing may dictate these demands.

The Government of Ontario and the Association of Municipalities of Ontario are concerned about how these additional and somewhat different housing needs of the 80's and 90's will be met, particularly in light of the downturn in the construction of new private rental housing; the economic prospects for the 80's and 90's and the likely restraints on public expenditures related to new facilities and services and socially assisted housing; and the increasing difficulty of providing new housing through large scale redevelopment and/or a further expansion outwards of Ontario's urban fabric.

There are two major approaches to creating additional housing: 1) building new and 2) making more efficient (intensive) use of the housing stock that currently exists. This study is aimed primarily at the latter and specifically at the potential for meeting some of the future housing needs in

the Province through the conversion of the existing stock of some 1,200,000 grade-related owner occupied dwellings in the Province. The extent to which this study is concerned with new housing was limited to the opportunities that might exist for small scale residential infill in residential neighbourhoods.

In addition to being concerned about meeting additional housing needs, the Ministry and A.M.O. were concerned about conserving the existing rental stock in a safe and livable condition for at least the same number of households as it currently accommodates. While this aging/conservation issue is by no means a new one, the nature of the issue will likely be quite different in the future. Until the late 1950's, the vast majority of housing in the Province was grade-related and owner occupied, and the conservation of these types of dwellings usually happened as a matter of course without much concern or assistance on the part of governments. In the last 30 years, however, the housing stock profile has changed dramatically with the advent of the high-rise apartment building. Rental apartments in multiple unit buildings form a much larger proportion of the stock than ever before. Approximately two-thirds of the over one million rental housing units in Ontario are located in high-rise or low-rise/walk-up multiple unit apartment buildings. Forty percent or 434,000 of the total rental units are in high-rise buildings. The conservation of the apartment rental stock has never been a serious issue in the past because of the relative newness of this stock. However, as these buildings age during the 80's and 90's (many are already 20 years old), serious attention will have to be given to the efforts that will be required to maintain these units in a safe and livable condition and within the economic reach of a large majority of the population. Therefore, the second objective of this study was in part, to examine the type of building repairs and improvements (and their associated costs) that will be required to conserve the Province's stock of some 434,000 high-rise rental apartments over the next 20 years.

A second rental housing conservation concern of the Ministry and A.M.O. had to do with the perceived loss of low-income rental accommodation that has traditionally been available in the form of rooms and apartments in grade-related dwellings in older neighbourhoods. Specifically, the study was to examine the extent of the loss of this type of housing due to demolition and deconversion resulting from the gentrification of these dwellings and the impact these losses have had on tenants.

The investigations were carried out by a series of five individual consultants working under the direction of a sixth consultant retained to coordinate and direct the study investigations. The work of each consultant was monitored and reviewed by a core study group made up of the five consultants, the study director and representatives of MOMAH and AMO.

Core Study Group

Study Director: Peter McInnis
Klein & Sears Research and Planning Limited

Consultants: Michael Adams
Environics Research Group

Jack Klein
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Greg Lampert
Clayton Research Associates

Frank Lewinberg
Lewinberg Consultants

Peter Milligan
Walker, Poole, Milligan

Ministry
Representatives Sue Corke
Gary McAllister
George Przybylowski

A.M.O.
Representatives: Mayor W. McLean Town of Ajax

Gwyn Simmons City of Ottawa Non-Profit Housing
Corporation

Special Assistant
To Core Group: Betty Kaser

While the consultants' work on this study began formally at the beginning of July, 1982, some considerable effort was spent in advance of this start-up by a steering committee of Ministry and AMO representatives in developing terms of reference and a work plan with the Study Director that reflected the findings of an extensive and detailed review of the literature pertaining to the issues in question. This literature review was carried out by David Hulchanski for the Ministry during April and May of 1982 and has been published under separate cover. The prime purpose of this review was to identify the extent to which the issues in question had already been considered and the findings and conclusions that had been reached in order that the consultants' work could be focussed on those issues about which there is limited knowledge or understanding. Also, this review provided a valuable basis for establishing certain propositions to be tested in the study.

The investigations, particularly those relating to Objective #1, were carried out on a case study area basis in the municipalities of Toronto, North York, Hamilton, Kingston, Woodstock and Ottawa with special input from municipal officials in Thunder Bay. These municipalities were selected to reflect the fact that many of the issues under investigation were more associated with larger urban areas as well as to provide, at the same time, a range of sizes of municipalities for comparative purposes.

The overall study report is organized into 11 separate volumes. These 11 volumes follow the 5 part organization of the findings, conclusions and recommendations of the study investigations as indicated below:

PART #	TITLE (Prime Consultants)	VOLUME #
1	Summary of Findings And Recommendations (Klein & Sears)	1
2	Economic And Demographic Trends for the 80's and 90's (Clayton Research Associates)	2
3	Residential Intensification And Future Housing Needs	
3.1	Physical Potential (Clayton Research Associates)	3
3.2	Economic Issues (Klein & Sears and Clayton Research Associates)	4
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3.4	Tenant Demand (Environics Research Group)	6
3.5	Neighbourhood Impact And Resistance (Environics Research Group and Lewinberg Consultants)	7
3.6	Municipal And Provincial Policies And Regulations (Walker, Poole, Milligan)	8
4	Conserving The Existing Rental Housing Stock	
4.1	Recent Rental Stock Losses and the Impact of Deconversion (Clayton Research Associates and Lewinberg Consultants)	9

4.2	Future Conservation Requirements And Costs for High-Rise Apartments and the Possible Impact on Rents and Tenants (Klein & Sears and Clayton Research Associates)	10
5	Data Sources And Problems (Clayton Research Associates)	11

This particular volume (Volume #6) of the study report , "Tenant Demand" was prepared by Mr. Michael Adams of Environics Research Group.

INTRODUCTION TO PART 3

This part of the study deals with Objective #1

"To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods"

"Residential Intensification" as used in this study means increasing the number of households accommodated in existing buildings and/or on existing serviced land in already built-up parts of urban areas through conversion of existing structures and through additions to existing structures and the building of new structures on vacant or near vacant land. Intensification as used in this study is achieved with little or no demolition of existing buildings.

The interest in intensification reflects emerging housing market trends, changing urban population profiles and the economics of new housing construction, in particular new private rental apartments. In addition, the interest in intensification as a means of meeting some of the future housing needs in Ontario stems from a number of factors not the least of which is the economic restraint under which governments at all levels now find themselves operating and the prospect of similar conditions prevailing over the next several years. These restraint conditions have caused some governments to cut back on or freeze spending on new facilities and services and seriously assess the efficiency with which existing facilities are used. The argument in support of intensification to provide additional housing is, in part, due to these economic restraints and the potential that may exist for increasing the number of households being served by the existing urban infrastructure.

This study defined 7 basic forms or models of conversion and infill that meet the above definition of intensification:

- 1) changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)
- 2) changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.);
- 3) building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units;
- 4) building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development);

- 5) building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building);
- 6) converting existing obsolete non-residential space to residential use (e.g. over stores along arterials); and
- 7) building new multiple residential units on vacant or near vacant sites in commercial areas (e.g. mixed-use projects in core areas).

While Models #6 and #7 are critical forms of intensification, the opportunities and constraints related to these models are well researched and documented. In fact, in the past few years the Ministry itself has conducted two investigations into the potential for residential and mixed commercial and residential infill development in the core areas of Ontario municipalities. This study concerned itself solely with investigating conversion and infill potential in existing residential neighbourhoods because of the paucity of good information that exists on the subject. In particular, emphasis was placed on the conversion models and their potential application to the 1.2 million grade-related owner occupied dwellings in Ontario urban centres of more than 10,000 people.

Models #2-5 are graphically illustrated in Figures 1-6 on the following pages. These figures provide just a few examples of the multitude of different physical forms the various types of intensification could take.

The examination of the opportunities and constraints associated with the creation of additional housing by means of the 5 models is examined in terms of:

- the physical potential of intensification vis-a-vis such issues as the convertability of various house forms, current intensity of use and the opportunities for infilling around or adding to existing dwellings;
- the economics of intensification in respect to the costs of creating new accommodation and rents required to pay for this accommodation as well as the economic impact of intensification on municipalities;
- the supply process or who could and would undertake various forms of intensification and the motivations for doing so as well as the capability and attitudes of the construction industry and lenders to facilitate intensification activities;
- the market demand for various types of accommodation that could result from intensification among various segments of the tenant market;
- community and neighbourhood impact and resistance that may occur as a result of or in anticipation of increased intensification activities in the various types of neighbourhoods that are traditionally found in the urban fabric of Ontario municipalities;
- government policies and regulations and in particular, municipal official plans and zoning by-laws.

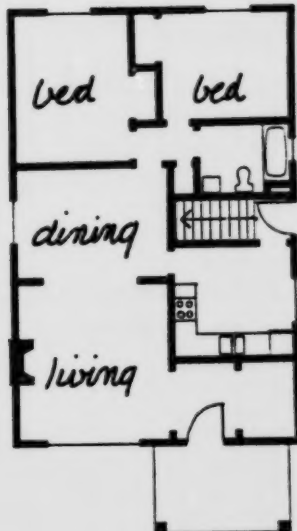
FIGURE 1 — Model 2

BUNGALOW CONVERSION

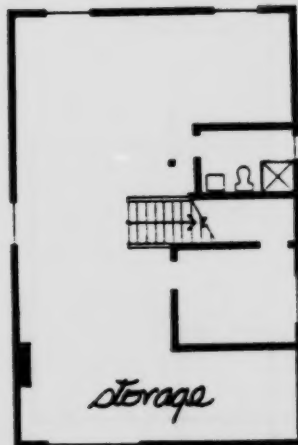
- a self contained one bedroom unit is provided in addition to the existing ground floor unit
- existing basement stairs are located adjacent to the back entrance facilitating conversion
- window wells or excavation to create a sunken patio can increase natural light for a basement apartment
- if the basement is already finished and/or a bathroom is in place, the conversion is likely to be less costly



BEFORE

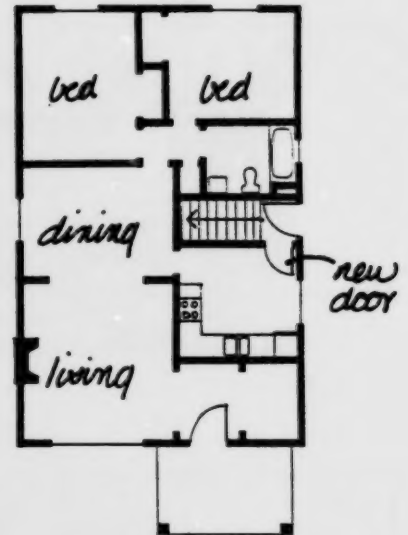


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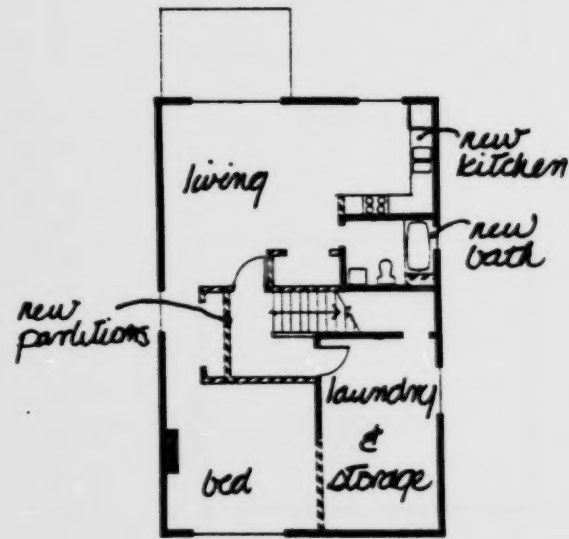


BASEMENT

AFTER



1ST FLOOR



BASEMENT

FIGURE 2 – Model 2

CONVERSION OF A THREE STOREY SEMI-DETACHED HOUSE

- the house is converted to provide a one bedroom unit on the ground floor and basement and a two bedroom unit on the second and third floors
- stairs and entrances are generally found on the party wall of semi-detached homes. This plan form lends itself readily to natural hall circulation
- decks can be added to second or third floors to provide additional space
- a larger house such as this provides more options for conversion. The house could be converted in a number of ways including three or four self-contained units, one on each floor or leaving the existing basement and converting to provide a bachelor apartment on one floor and a two bedroom apartment on the remaining floors

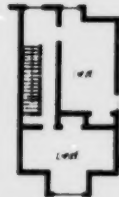


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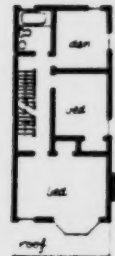


3RD FLOOR

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3RD FLOOR



2ND FLOOR



2ND FLOOR



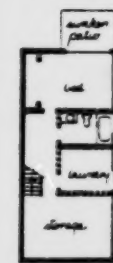
GROUND



GROUND



BASEMENT

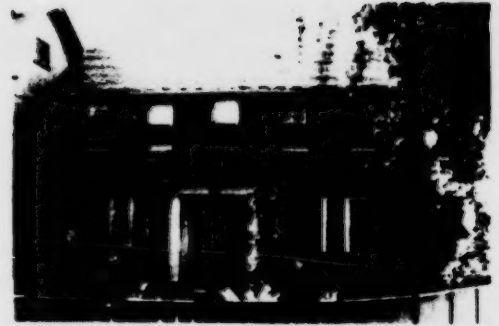


BASEMENT

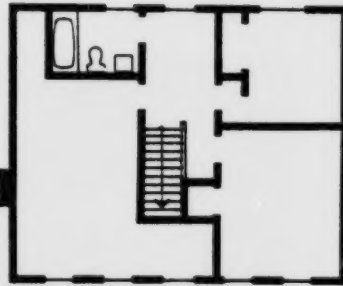
FIGURE 3 - Model 2

CONVERSION OF A TWO STOREY DETACHED HOUSE

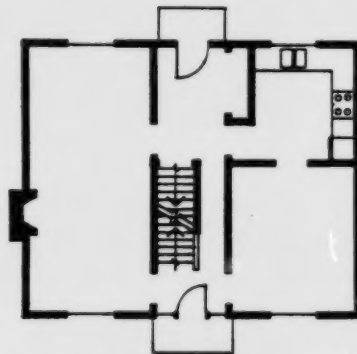
- the house is converted to provide a one bedroom unit on the ground floor and a one bedroom unit on the second floor
- the centre hall plan of this house is not as easily adaptable as the side hall plan of the previous illustration. The resulting circulation pattern within the units tends to be from room to room rather than off a hall



BEFORE



2ND FLOOR

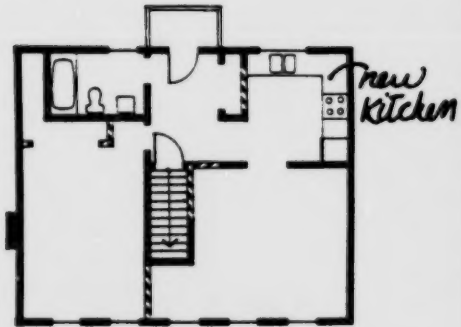


GROUND

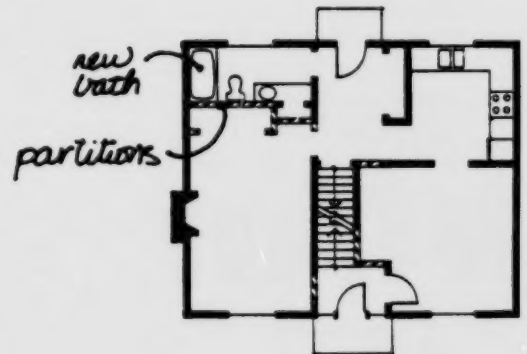


BASEMENT

AFTER



2ND FLOOR



GROUND

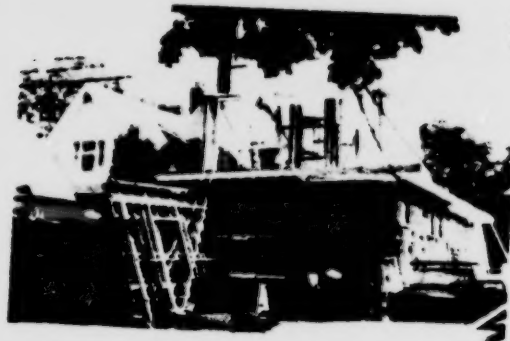


BASEMENT

FIGURE 4 - Model 3

VERTICAL ADDITION

- a second storey is added to an existing bungalow to provide a second self-contained dwelling unit
- as the ceiling of the ground floor unit is exposed during construction, timing and weather are important concerns in planning for this type of addition



HORIZONTAL ADDITION

- an existing garage is converted to residential space and provides a bachelor unit
- garages frequently have an existing back door and windows which can be incorporated in the conversion
- if the plumbing in the existing house is on the side of the house adjacent to the garage, the addition is likely to be less costly
- as this unit is grade related and provides access without stairs, it is particularly appropriate for a "granny unit"

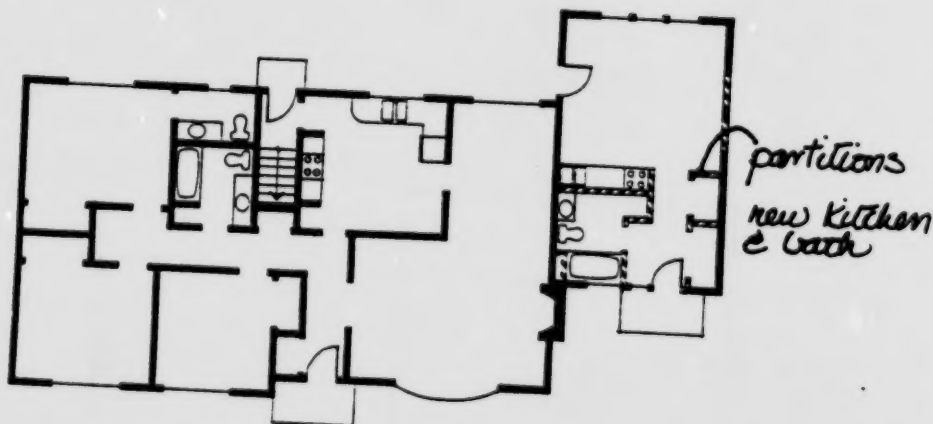


FIGURE 5 - Model 4

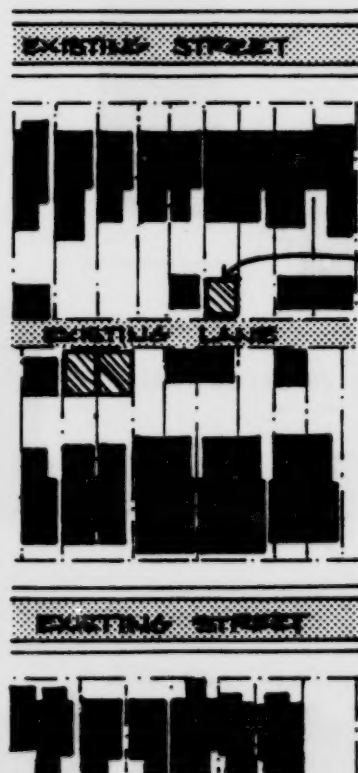
BACK LOT INFILL

- new housing units are built at the back of the lots on which there are existing houses
- access is from a back lane in one example and from the street using the side driveway in the other
- the length of the lot and the location of the house on the lot are critical factors. Generally urban land use patterns will accommodate this type of infill more readily than suburban land use patterns where the house is typically situated close to the centre of the lot
- the new housing could provide more than one unit or larger units by building more than one floor

BACK LANE ACCESS



SIDE DRIVE ACCESS



INFILL

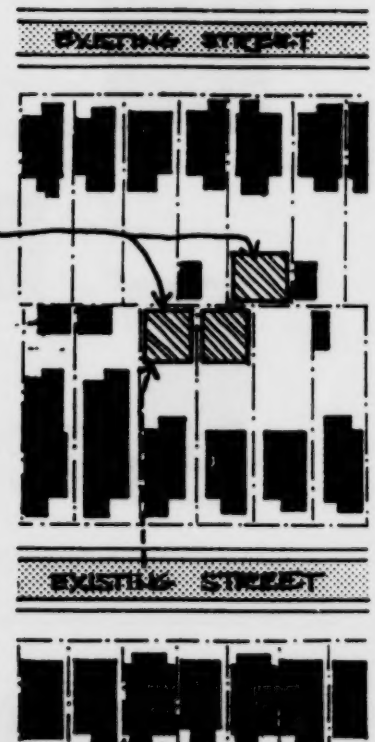
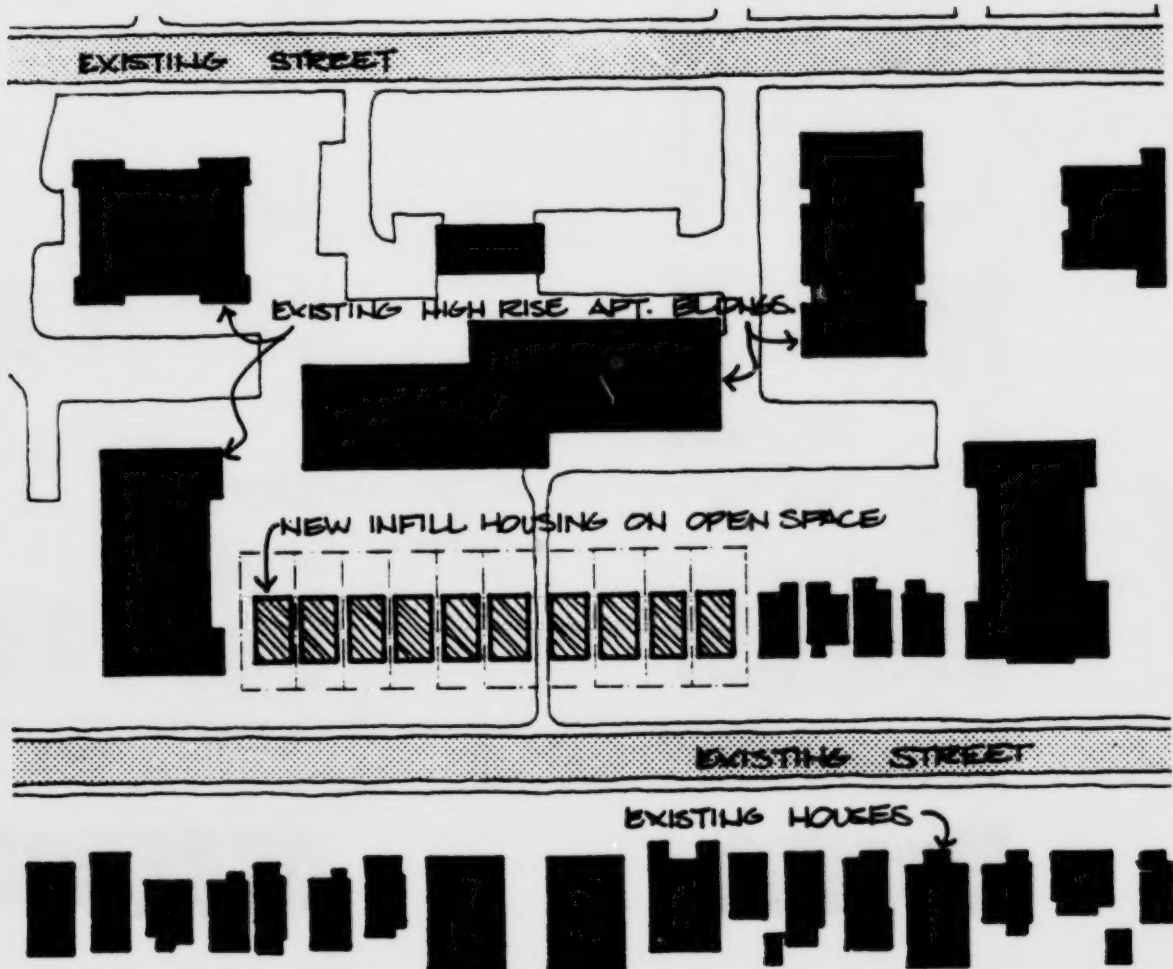


FIGURE 6 - Model 5

INFILL ON APARTMENT GROUNDS

- a number of single family houses are shown as infill in the landscaped open space of a high rise apartment building. The new housing could also take the form of semi-detached housing, row housing or low rise apartment structures
- the housing type could be selected to be consistent with the surrounding neighbourhood
- existing underground garages for the high rise apartment buildings often have surplus spaces which could be used for the new infill housing



PART 3.4

TENANT DEMAND FOR RENTAL ACCOMMODATION IN CONVERTED DWELLINGS

Prepared by:
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1.0 EXECUTIVE SUMMARY

1.1 Introduction

Two reports in this study of the market aspects of conversion and infill have examined the supply potential of rental accommodation from homeowners and community attitudes toward conversion and infill in residential neighbourhoods. These two reports have provided some insight to what kind of rental accommodation can best be encouraged through the process of conversion and, to a lesser extent, through infill. What still needs to be examined, however, is the nature of the potential demand for rental units resulting from conversion and infill.

This report presents the results of a study of renters in the three Ontario municipalities of Toronto, North York and Kingston--areas chosen in order to give a range of observations over an older, urban area, a more suburban area, and a smaller Ontario city. The study had two major objectives:

- . to assess the nature of the demand for rental accommodation in houses;
- . to assess the supply potential of rental accommodation by first time buyers.

Supply potential of recent buyers has already been discussed in a previous report, but in this study the objective is to look at the interest prospective homebuyers have in purchasing a house with conversion or rental potential; i.e., ante facto instead of post facto.

In Toronto and North York, the study was conducted in two stages:

- . a screening questionnaire was administered by telephone to 504 randomly chosen renters living in Toronto and North York. Renters receiving government assistance with their rental payments were not interviewed. The overall objective of this stage was essentially to identify renters who had a high propensity to rent in a house as opposed to an apartment building;
- . the second stage consisted of in-depth personal interviews with 154 households who responded to the initial screening questionnaire. Renters included in the second stage were primarily ones who had a high preference for renting in a house, but who were living in an apartment building at the time of the study. The purpose of this stage was to obtain detailed information on rental housing preferences and likelihood of purchasing a house with conversion potential.

In Kingston, 100 renters were interviewed by telephone, using a questionnaire which combined questions from the screening and follow-up questionnaires used in Toronto and North York.

Renter Types:

Two major renter types were identified in each of the municipalities: those with a high preference for renting an apartment in a house, and those with a low preference for renting in a house. High preference renters who were not already renting in a house constituted about 25% of all renters surveyed. This proportion did not vary substantially amongst the three municipalities.

Renters who preferred renting in a house tended to be couples or single persons in their 30's. Average age was somewhat older and household incomes were higher in Toronto and North York. In comparison, low preference renters were more likely to be older couples or young single persons. Another important dysfunction between these two groups was home ownership aspirations. Most high preference renters or renters who would prefer renting in a house were not pleased with renting and wanted to own a home in the near future. Low preference renters, on the other hand, were mostly pleased with renting and relatively fewer of these households had purchase intentions. These differences were also consistent across municipalities.

1.2 Demand Characteristics

A number of different aspects of renting in a house were explored in the interviews with renters who showed a high preference for renting in a house; i.e.,

- . advantages and disadvantages of renting in a house;
- . preferences for various types of rental accommodation that could be provided in a house;
- . importance of features and attributes of apartments in a house;
- . preferences and trade-offs with respect to certain attributes of an apartment in a house.

The latter was only looked at in the personal interviews conducted with Toronto and North York renters. The technique used to assess preferences and trade-offs was not amenable to telephone interviewing.

Advantages/Disadvantages:

High preference renters were queried on the perceived advantages and disadvantages of renting in a house, as opposed to renting in an apartment building. The advantages and disadvantages mentioned were quite similar in all the municipalities, although frequency of specific responses did vary; i.e.,

<u>Advantages of a house</u>	<u>Municipality</u>	
	<u>Toronto and North York</u>	<u>Kingston</u>
. a more home-like ambience	26%	35%
. access to a yard	33	30
. more privacy	23	60
. more sociable	17	20
. grade access	17	9

It would appear that the social environment associated with living in a house, especially privacy and general ambience, is perceived as a major advantage. The physical aspects are also seen as an advantage. Having access to a yard is seen as a benefit by about 1/3 of high preference renters. Interesting to note is that cost differences between renting in a house and an apartment building were hardly ever mentioned as an advantage.

About half the renters in the high preference group also mentioned disadvantages of renting in a house as opposed to an apartment building. Again, the types of disadvantages most frequently mentioned were similar across municipalities; i.e.,

<u>Disadvantages of a house</u>	<u>Municipality</u>	
	<u>Toronto and North York</u>	<u>Kingston</u>
. poorer maintenance	11%	18%
. fewer facilities	-	20
. less privacy	12	7
. more expensive	7	7

Privacy was mentioned as both an advantage and a disadvantage. Presumably, the degree of privacy afforded by an apartment in a house is very much dependent on the type of renters in the house and soundproofing qualities. It is understandable that individual experiences and opinions on the questions of privacy would vary. For some renters, the maintenance or lack thereof is seen as a disadvantage of renting in a house. In Kingston, lack of facilities such as laundry rooms and recreational facilities was also seen as a disadvantage. Rental costs of a unit in a house were seen as being more expensive by a number of high preference renters.

Preferences in Types of Accommodation:

There are a number of basic alternatives in renting accommodation in a house; i.e.,

- . one could rent just a room in a house;
- . one could rent a self-contained apartment in a house that had been completely converted into apartments;
- . one could rent an apartment in an owner-occupied house; or,
- . an entire house could be rented by sharing the costs with friends.

Only about one in five of the high preference renters in Kingston saw any advantages in renting just a room in a house, and only 14% in Toronto and North York. For most renters who would prefer renting in a house, the cost advantages of renting just a room would not compensate for the limited space and privacy afforded by such accommodation.

Most renters who would prefer renting in a house would prefer to rent an apartment in a totally converted house. Renting in an owner-occupied house is usually a second choice. Sharing an entire house is only preferred by a few. These preferences were evident in all three municipalities.

Although the reasons for these preferences were not directly established through the interviews, it is quite plausible that privacy plays an important role. Sharing a house usually involves more complicated living arrangements and requires a high degree of compatibility. Renting in an owner-occupied house also requires a certain degree of compatibility with the landlord. Single persons tended to have a lower preference for this type of accommodation than married couples.

Important Features:

Apparent from the preferences renters have in various types of rental accommodation in a house, most of the demand would be for self-contained apartments in houses. Specific characteristics of this type of rental accommodation were more fully explored by asking high preference renters to judge the importance of a number of factors that were thought to influence the decision of whether or not to rent a particular apartment in a house; i.e.,

<u>Unit feature</u>	<u>Judged To Be Very Important</u>	
	<u>Toronto and North York</u>	<u>Kingston</u>
. private bath & kitchen	98%	94%
. location	83	63
. rental cost	78	83
. private separate entry	68	45
. floor of house	67	51
. number of bedrooms	69	63
. parking	54	57
. access to yard	36	32
. landlord in house	23	18

Private bath and kitchen and rental costs are very important to the vast majority of renters who constituted the potential demand group for rental accommodation in houses. Location in the city, unit size, where it's located in the house, and having a private, separate entry are also important to these renters. Location is important to more renters in Toronto and North York than in Kingston, and floor of house and a private entry are important to more renters in Toronto and North York.

Approximately 25% to 35% of the renters in the areas surveyed did not have a car. This, to some extent, accounts for the fact that fewer renters placed a high importance on the availability of parking. Access to the backyard and whether or not the landlord lived in the house were judged important to the decision to rent or not rent by only a minority of renters.

Trade-offs:

Looking at the importance of various unit features provides some insight to what kind of accommodation most renters would prefer. However, independently ranking the importance of features does not give a very good indication of how renters would behave in a more realistic context where the "perfect" apartment is not available. In order to try to assess the relative importance attached to various unit attributes under "imperfect" conditions, renters in North York and Toronto were asked to rank, in order of their preference, 9 alternatives in renting an apartment in a house. These alternatives varied in size, floor of the house, rent, parking, entry, access to a yard, and presence of a landlord.

Based on the analysis of renters' preferences amongst these nine alternatives, it was apparent that location in the house, that is whether the unit was in the basement or on the upper floors, was a critical attribute to most renters. Preferences were generally positively affected by an upper floor unit. Few renters would want a basement apartment. The desire for an upper floor apartment was such that many renters would compromise on a private, separate entry or pay a higher rent in order to get an upper floor. The presence of a landlord did not influence the preference of most renters.

Only two groups of renters were found who did not place a high degree of importance on an upper floor. The first of these groups (14% of the potential demand group) placed a high degree of importance on access to a yard. These renters tended to be single persons renting one bedroom apartments. A proportion of this group would likely rent a basement apartment in exchange for yard access and lower rent. The other group (19% of the potential demand group) consisted mostly of married couples, many with children. Number of bedrooms was most important to this group and many would trade-off an upper floor in order to get a two or three bedroom unit.

1.3 Supply Potential

The desire to own a home was quite high amongst the potential demand groups in the three municipalities. About 1/2 of high preference renters in Toronto and North York, and 2/3 of high preference renters in Kingston wanted to buy a home within the next few years. Renters who thought that they would be able to afford to buy a home were more in Kingston (58%) than in Toronto and North York (23%).

Renting out part of one's home is one way in which the financial burden of home ownership can be eased. Renters who were considering a home purchase were asked whether or not they would ever consider such an option when they became owners. Renters who foresaw financial obstacles to owning were generally quite receptive to the rental option. In Toronto and North York, most potential owners with financial constraints would consider buying a house with an apartment or converting space into an apartment. Renting out just a room or becoming a co-buyer were less popular options. Even about 1/2 the renters who were considering buying and foresaw no financial constraints would consider converting. In Kingston, the response was very similar.

Specific preferences in home buying were more fully investigated in Toronto and North York. Renters were asked to rank, in order of their preference, eight alternatives in home purchase. The alternatives varied with respect to location, age of house, style and type of house, and potential for conversion.

For most renters, conversion potential which was associated with a larger and/or more expensive house was either not important to their preferences or was not a preferred feature. One group of renters (21% of the potential demand group) did, however, show a strong preference for buying a house which had an apartment which could be rented out. These renters tended to be singles sharing an apartment. Household income was quite high at \$38,000, and over 1/2 intended to buy a home within the next few years.

1.4 Implications

In all three municipalities studied, potential demand for rental accommodation in a house is quite high. Approximately 25% of renters, excluding those already renting in a house, would prefer to rent in a house as opposed to an apartment building. Most of the demand comes from young couples or singles who like the social aspects of renting in a house. Many of these renters intend to buy their own house in the near future. Renting in a house perhaps brings them a little closer to their dream.

In assessing potential demand for rental accommodation in a house, care must be taken to distinguish amongst various types of accommodation. Very few renters would rent just a room or share the rent of an entire house with friends. Renting in an owner-occupied house is also less preferred than renting an apartment in a totally converted house. It may be that apartments in owner-occupied houses are too closely associated with basement suites or require too much compromise on the part of renters.

Relatively few renters would choose a basement suite in a house over other alternatives. Most renters prefer to rent on the upper floors even to the extent that they would give up such important features as a private, separate entry, a lower rent, parking, or access to a backyard. Only 33% of the renters in the potential demand group, that is 8% of all renters, would be willing to compromise and accept a basement apartment for other features. About half of these renters were single renters who would trade-off an upper floor for a lower rent and access to a yard. The other renters in this group were primarily married couples, most with children, who would trade-off an upper floor for a larger unit and lower rent.

Renters in the potential demand group also constitute a potential source of supply of rental units when they become homeowners; 51% of these renters in Toronto and North York, and 69% in Kingston intended to buy within the next 3 years. About 1/3 of the would-be owners would consider renting out a room when they purchased their home; more (40%-50%) would consider converting. Consideration of such options generally increased if financial resources were a constraint on purchase intentions. Although attitudes toward supplying rental accommodation were generally quite positive, few renters would consider stretching their budgets in order to buy a larger house which already had an apartment which could be rented. In Toronto and North York, 27% of renters would consider this option; in Kingston, 17%.

Even though a gap can be assumed to exist between intentions and actions, new home buyers can be considered as an important source of rental accommodation. Many obstacles would, however, have to be overcome in order to realize that potential, not the least of which are the very preferences they themselves express in renting an apartment in a house.

2.0 TORONTO AND NORTH YORK RENTERS

Information from Toronto and North York renters was obtained in two stages:

- . a screening questionnaire was administered by telephone to 504 randomly chosen renters living in Toronto and North York. Renters receiving government assistance with their rental payments were excluded from the study. The overall objectives of the first stage of the study were essentially to identify renters who had a high propensity to rent accommodation in a house as opposed to an apartment building; i.e., to establish the basic characteristics of households who constitute the potential demand for converted units or rooms in owner-occupied houses;
- . the second stage consisted of in-depth personal interviews with 154 households who responded to the initial screening questionnaire. The purpose of these interviews was to obtain more detailed information on housing preferences, especially those pertaining to renting converted units or purchasing a house with conversion potential.

2.1 Renter Types

The analysis of the screening questionnaire resulted in the identification of two major groups of renters: those with a high preference for renting an apartment in a house and those with a low preference for renting an apartment in a house. Households in each group were further distinguished by whether or not they perceived any disadvantages in renting in a house as opposed to renting in an apartment building. The resulting four types of renter households were as follows:

- . High Preference Renters
 - TYPE ONE - households with a high preference for renting in a house; both advantages and disadvantages of renting in a house were mentioned by these renters;
 - TYPE TWO - households with a high preference for renting in a house; only advantages of renting in a house were mentioned;
- . Low Preference Renters
 - TYPE THREE - households with a low preference for renting in a house; these households had no opinion as to the advantages or disadvantages of renting in a house;
 - TYPE FOUR - households with a low preference for renting in a house; only disadvantages were mentioned.

The general characteristics of these renter types are presented below.

2.1.1 High Preference Renters (55%)

<u>Household Characteristics</u>	<u>TYPE ONE (30%)</u>	<u>TYPE TWO (25%)</u>
. average length of residency	3.5 yrs.	3.4 yrs
. average household size	1.9 persons	2.4 persons
. average age of household head	36 years	36 years
. marital status - single	60%	37%
- married	29%	50%
- other	11%	14%
. median household income	\$29,000.	\$28,000.
. more than one income	48%	58%

TYPE ONE and TYPE TWO renters are quite similar in their general household characteristics. Both are in their mid-30's, have been living at their present address for 3 or 4 years, and earn slightly less than \$30,000 a year. The major difference between these two types is that TYPE ONE renters tend to consist of single or unmarried persons, whereas TYPE TWO renters are more likely to be married couples, mostly without children.

<u>Present Unit Characteristics</u>	<u>TYPE ONE (30%)</u>	<u>TYPE TWO (25%)</u>
. building type - apt. bldg.	66%	57%
- house	34%	43%
. number of bedrooms - bachelor	7%	4%
- one bedroom	39%	35%
- two bedrooms	37%	40%
- three+ bedrooms	17%	22%
. average monthly rent	\$463.	\$438.

The major difference between the two renter types in the high preference group in terms of their present rental accommodation is that TYPE TWO renters, those who saw only advantages of renting in a house, are somewhat more likely to already be renting an apartment in a house. TYPE TWO households were also paying slightly less rent than TYPE ONE households, even though the distribution of unit sizes was quite similar in the two types.

Attitudes	TYPE ONE (30%)	TYPE TWO (25%)
. rented in house before	48%	42%
. building preference - house	70%	86%
- apartment building	25%	10%
. advantages of a house	99%	100%
- access to yard	36%	30%
- more "home-like"	30%	21%
- more privacy	20%	26%
- grade access	20%	14%
- more sociable	20%	14%
. disadvantages of a house	100%	0%
- less privacy	21%	-
- poorer maintenance	20%	-
- more noise	10%	-
- more expensive	12%	-
- landlord problems	12%	-
. overall rating of unit types (1 = high)		
- apt. in apartment building	2.2	2.6
- apt. in owner-occupied house	2.6	2.1
- apt. in converted house	1.9	2.0
- sharing house with friends	2.8	2.9

The major factor distinguishing renter types is their attitude to renting in a house as opposed to renting in an apartment building. Overall, TYPE TWO renters have a higher preference for renting in a house; 42% of these households had rented in a house prior to moving to their present accommodation. The major advantages mentioned by TYPE TWO renters of renting in a house are access to a yard, more privacy, and a more "home-like" ambience. In terms of their choices in rental accommodation, most TYPE TWO renters would prefer to live in a house that was totally converted into apartments; i.e., absentee landlord.

Second choice for most would be an apartment in an owner-occupied house. Sharing a house with friends would, however, be the least preferred type of accommodation for these renters.

TYPE ONE renters also have a strong preference for renting in a house; almost 1/2 (48%) had rented in a house before. The advantages of renting in a house for this renter type were similar to those mentioned by TYPE TWO renters; i.e., access to a yard, ambience, privacy. TYPE ONE renters, however, also saw disadvantages of renting in a house. Most frequently mentioned were less privacy and poorer maintenance. First choice for these households in terms of rental unit type would be an apartment in a totally converted house. Second

choice would be an apartment in an apartment building. Living in an apartment in an owner-occupied house or sharing an entire house with friends were generally the least preferred choices.

Overall, renters with a high preference for renting in a house were not pleased with renting; i.e.,

	<u>TYPE ONE</u>	<u>TYPE TWO</u>
. pleased with renting and will continue to rent	35%	32%
. not pleased with renting and will buy a home within the next three years	22%	24%
. not pleased with renting, but must continue to rent	40%	41%

Only about 1/3 of this renter group was happy to stay a renter. About 1/3 of these renters hoped to buy a home within the next three years; preferably an older home (63%) located in the city (61%).

2.1.2 Low Preference Renters (45%)

<u>Household Characteristics</u>	<u>TYPE THREE (16%)</u>	<u>TYPE FOUR (29%)</u>
. average length of residency	5.0 years	5.7 years
. average household size	2.3 persons	2.2 persons
. average age of household head	46 years	44 years
. marital status - single	45%	38%
- married	36%	42%
- other	19%	20%
. median household income	\$21,000.	\$24,000.
. more than one income	47%	45%

The two renter types in the low preference group are also generally quite similar in their household characteristics. Most are in their mid-40's, have been living at their present address for 5-6 years, and have incomes in the low \$20's. Renters in this group tend to be two person households and mostly unmarried.

<u>Present Unit Characteristics</u>		<u>TYPE THREE (16%)</u>	<u>TYPE FOUR (29%)</u>
. building type	- apt. building	79%	82%
	- house	21%	18%
. number of bedrooms	- bachelor	10%	5%
	- one bedroom	29%	37%
	- two bedrooms	42%	40%
	- three+ bedrooms	19%	18%
. average monthly rent		\$370.	\$375.

Most low preference renters live in an apartment building. Average rents paid by the two types of renters in this group are quite similar. They are, however, considerably less than the rents paid by high preference renters, even though the distribution of apartment sizes is similar. The difference in rents between the two groups may be the age of the buildings or rent control. This information, however, was not obtained from the questionnaire.

<u>Attitudes</u>	<u>TYPE THREE (16%)</u>	<u>TYPE FOUR (29%)</u>
. rented in house before	22%	28%
. building preference - house	25%	12%
- apt. building	56%	81%
. advantages of a house	0%	3%
- less privacy	-	51%
- landlord problems	-	20%
- poorer maintenance	-	11%
. overall rating of unit types (1 = high)		
- apt. in apt. building	1.6	1.2
- apt. in owner-occupied house	2.6	3.1
- apt. in converted house	2.5	2.3
- sharing house with friends	2.9	3.2

TYPE THREE renters had generally little to say about the advantages or disadvantages of renting an apartment in a house; about 20% did not even have a preference in building type. Overall, though, TYPE THREE renters rated renting an apartment in an apartment building as their most preferred choice. All other options were given low rating.

TYPE FOUR renters were better able to express their opinions. Over 80% preferred renting in an apartment building. All renters in this type saw disadvantages of renting in a house. Disadvantages mentioned were similar to those mentioned by TYPE ONE renters, but much more frequently; i.e., less

privacy, landlord problems, and poorer upkeep. Most preferred in terms of rental unit types was renting in an apartment building. Renting in a converted house was the second choice for most TYPE FOUR renters. Renting in an owner-occupied house or sharing a house with friends were the least preferred options.

Renters with a low preference for renting in a house were generally more pleased about their present tenure than high preference renters; i.e.,

	<u>TYPE THREE</u>	<u>TYPE FOUR</u>
. pleased with renting and will continue to rent	49%	50%
. not pleased with renting and will buy a home within the next three years	19%	14%
. not pleased with renting, but must continue to rent	32%	36%

About 25% of the renters in the low preference group had some intention of buying a home within the next few years. As with the high preference group, most of these renters (51%) preferred to buy a home in the city, but wanted a new home (57%) instead of a resale home.

2.2 Selection for Follow-Up

Based on the results of the screening questionnaire, renter households from the high preference group who were not living in a house were chosen for interviewing in the follow-up stage. It was assumed that this renter group represented the primary demand segment for rental accommodation in the form of converted units. Approximately 25% of the sample for re-interviewing was drawn from high preference renters who were already renting in a house. These renters were included to see if any significant differences were evident in rental unit preferences. The subsequent analysis, however, showed no significant differences in preferences to exist.

In total, 154 households were interviewed in the follow-up. The results of these interviews are summarized in the following section in terms of:

- . household characteristics;
- . present dwelling unit characteristics; preferences in converted unit rental accommodation;
- . preferences in home purchase.

3.0 DEMAND CHARACTERISTICS - TORONTO AND NORTH YORK

The major objective in the second stage of the Toronto and North York study of renters was to establish the nature and characteristics of the demand for rental accommodation located in a house. Of specific interest were:

- . household characteristics of the demand group;
- . preferences in various factors associated with converted units;
- . preferences in various factors associated with home purchase, especially the potential to rent out space.

The results of the 154 interviews conducted with renters in the potential demand group for converted units are presented below.

3.1 Household Characteristics

. household size	- one person	34%
	- two persons	42%
	- three+ persons	24%
. children in house		20%
. average age of household head		38 years
. marital status	- single	53%
	- married	36%
	- other	12%
. household income	- under \$15,000.	18%
	- \$15 - \$30,000.	34%
	- \$30 - \$45,000.	32%
	- over \$45,000.	16%

Renters who constituted the potential demand for converted units tend to be unmarried persons in their mid to late 30's, either living alone or with another unmarried person. Few of these households have children. Average household income, with more than one income included in about half (52%) of the households, is \$29,000.

Most households are living in one or two bedroom units at present (67%) and paying rent of around \$400. per month. By and large, these households are at least somewhat satisfied with their present unit (93%). The amount of space in their apartment is sufficient for most (73%), rent is affordable (84%), and location is all right (81%). About 70% of these renters have at least one vehicle in the household, and almost all households (92%) have provisions for parking included with their unit.

Despite the generally few complaints about their present unit, 34% of households have intentions of moving within the next year or so. The average length of residence at their present address is about 3 years, so these mobility intentions are generally in keeping with historical norms of one move every 5 years.

3.2 Preference in Converted Units

Slightly over 1/3 (38%) of the potential demand group who were presently living in an apartment building had rented in a house before. For the most part, this had been a self-contained apartment in a house; 32% had rented just a room in a house. About 1/4 of those renting in an apartment building had rented an entire house either by themselves (14%) or by sharing the rent with friends (13%).

Few of the demand group (14%) saw any advantages in renting just a room in a house. Those who did see an advantage mentioned the lower rental costs associated with renting just a room. Most of the demand group saw only disadvantages, especially in terms of lack of privacy (54%) and insufficient space (50%).

Renters in the potential demand group were asked to rate the importance of a number of factors thought to be of importance in deciding whether or not to rent an apartment in a house. The average ratings given to these factors were as follows:

<u>Factor Or Attribute</u>	<u>Average Rating</u> (7 = HIGH)
. whether or not the apartment had its own private bath and kitchen	6.6
. location; i.e. suburbs vs. city	5.7
. monthly rental costs	5.4
. provision of a private, separate entry	5.1
. location in the house; i.e. basement vs. upper floor	5.1
. number of bedrooms	5.0
. availability of parking	4.4
. access to backyard	3.9
. whether or not the landlord lived in the house or elsewhere	3.2

The nature of these attributes or factors which could be used to describe an apartment in a house were, for the most part, very important to the demand group in terms of deciding whether or not to rent a particular converted unit. Factors such as whether or not the apartment had its own bath and

kitchen were considered crucial; location and rent were considered by most to be of very great importance. Having a separate entry, location of the unit in the house, and number of bedrooms were generally considered very important. Of lesser importance were the availability of parking, having access to the backyard and the presence of a landlord in the house.

In order to establish the relative importance placed on some of these factors by the potential demand group, respondents were asked to rank, in order of their preference, nine alternative descriptions of rental accommodations provided in a house (SEE FIGURE 1). Descriptions in these alternatives varied in terms of:

- . number of bedrooms; i.e., 1,2, or 3 bedrooms;
- . location of the unit; i.e., basement, main floor or upper floor;
- . monthly rent; i.e., high or low for a given number of bedrooms(\$200. or \$300. for a one bedroom; \$400. or \$500. for a two bedroom; \$600. or \$700. for a three bedroom); presence or absence of a landlord in the house;
- . availability of parking on the street or lot or no parking;
- . private or common, shared entry;
- . access or non-access to a yard.

The alternatives were developed as fractional factorial designs, so that the main effects of the seven factors on unit preferences could be measured. The actual estimation of the importance placed on these factors was by OLS (ordinary least squares) with regression coefficients taken as the measure of importance.

On the basis of individual importance weights given to the seven factors, the demand group was segmented into 5 homogenous groups; i.e., renters in each group being similar in the importance placed on various factors. Some important differences in unit preferences emerged from this analysis.

Preference Group One (25%)

As was seen in the description of the importance rating of attributes associated with a rental unit in a house, number of bedrooms, location in the house, and rent were judged as being very important by most renters. The preferences of renters in group one were, however, most influenced by location of the unit in the house; i.e., basement, main floor or second floor. Number of bedrooms, rent, and other factors are, of course, important, but location in the house is of overriding importance. The importance placed on the various factors by this group were as follows:

FACTOR:	NO. OF BDRMS.	FLR.	ABSENTEE LANDLORD	PVT. ENTRY	YARD	HIGHER RENT	PARKING
WEIGHT:	-0.43	1.43	0.52	-0.14	1.50	0.73	0.24

In general, rental unit preferences of this group are:

- . an upper floor, 2 or 3 bedroom unit;
- . access to the yard;
- . parking on-street or on the lot;
- . an absentee landlord.

This group would trade-off a higher rent and, to a lesser extent, number of bedrooms, and a private entry in order to have an upper floor apartment.

Renters in this group tend to be singles sharing a 2 bedroom apartment, paying an average rent of \$440 a month.

Preference Group Two (18%)

Renters in the second preference group place the most importance on number of bedrooms, location in the house, and parking availability; i.e.,

FACTOR:	<u>NO. OF BDRMS.</u>	<u>FLR.</u>	<u>ABSENTEE LANDLORD</u>	<u>PVT. ENTRY</u>	<u>YARD</u>	<u>HIGHER RENT</u>	<u>PARKING</u>
WEIGHT:	2.20	1.52	0.05	-2 04	-2 30	-1.10	1 03

Based on the factor weights or coefficients, preferences of this group in terms of an apartment in a house are:

- . a 2 or 3 bedroom unit on the upper floor of a house;
- . a lower monthly rent of \$400. or \$600. a month, depending on number of bedrooms;
- . parking available on-street or on the lot.

Trade-offs that would be made for this type of accommodation are taking a common, shared entry and no access to the yard. The presence or absence of a landlord makes little difference to overall preference.

Renters in this group tend to be singles sharing one or two bedroom apartments or married couples. About 1/3 have children, and 25% are dissatisfied with their apartment; space seems to be a problem. Average rent is the highest of any group at \$490. a month.

Preference Group Three (25%)

The third preference group consists of renters who also place much importance on location of the apartment in the house. Other factors, including number of bedrooms, are of less importance: i.e.,

FACTOR:	<u>NO. OF BDRMS.</u>	<u>FLR.</u>	<u>ABSENTEE LANDLORD</u>	<u>PVT. ENTRY</u>	<u>YARD</u>	<u>HIGHER RENT</u>	<u>PARKING</u>
WEIGHT:	.50	1.73	0.93	-0.78	0.24	0.54	-2.03

Most preferred type of accommodation by this group would be:

- . a one or two bedroom apartment located on the second floor;
- . an absentee landlord;
- . access to the yard.

Factors that would be trade-offs in order to get this type of an apartment, especially on an upper floor, are availability of parking, a private entry, and higher rent.

Households in this group can be characterized as singles living in one bedroom apartments. Average monthly rent being paid by this group is \$390. About 38% of these renters do not have a car.

Preference Group Four (14%)

There are two groups of renters who do not place as high a degree of importance on location of the apartment in a house as do other groups. The first of these, group four, only places a major importance on access to a yard. Other factors are of much lesser importance; i.e.,

FACTOR:	<u>NO. OF BDRMS.</u>	<u>FLR.</u>	<u>ABSENTEE LANDLORD</u>	<u>PVT. ENTRY</u>	<u>YARD</u>	<u>HIGHER RENT</u>	<u>PARKING</u>
WEIGHT:	0.58	0.64	-0.53	-0.89	2.31	-0.94	-0.22

The type of rental unit preferred by this group of renters is:

- . an apartment with a yard to which they would have access;
- . a one or two bedroom unit on an upper floor;
- . a lower rent of \$200. or \$400. a month, depending on number of bedrooms.

Renters would trade-off parking, an absentee landlord, and a private entry in order to live in a house with a garden.

Most households in this group consist of singles renting a one-bedroom apartment for \$300. a month; 40% of these renters do not have a car.

Preference Group Five (19%)

The other renter group who did not place much importance on apartment location in house was the fifth preference group. Most important to this group was number of bedrooms and rental costs; i.e.,

FACTOR:	<u>NO. OF BDRMS.</u>	<u>FLR.</u>	<u>ABSENTEE LANDLORD</u>	<u>PVT. ENTRY</u>	<u>YARD</u>	<u>RENT</u>	<u>HIGHER PARKING</u>
WEIGHT:	2.49	0.0	-1.27	0.78	-0.25	-1.99	1.37

Renters in this group prefer the following type of unit:

- . a two, preferably three, bedroom unit;
- . a lower rent of \$400. or \$600. a month;
- . parking on the lot or on-street;
- . a private, separate entry.

Most households in this group are married couples; half have children, so the space is needed. In order to get a larger unit at a lower rent, most of these households are willing to put up with a landlord in the house and even live in the basement. Some would even go so far as depriving their children of a yard to play in!

Renters in this group are living in a 2 or 3 bedroom apartment and paying an average of \$460. a month. Most (75%) have cars.

3.3 Home Purchase Preferences

Approximately 1/3 of the renters originally interviewed expressed an intention to purchase their own house within the next three years. Home purchase intentions were further explored in the interviews with the potential demand group for converted units. The objective was primarily to assess the potential of this group to eventually supply new rental units when they became owners. The propensity of these renters to become landlords does not, of course, indicate the total supply potential of converted units on the parts of renters as a whole. The potential demand group only constitutes about 1/2 of the renters in Toronto and North York.

The desire to own a home on the part of the potential demand group was quite high. Fully 1/2 of these renters want to buy a home within the next few years. However, only about 1/4 (23%) think that they will actually be able to do so. Lack of financial resources is a constraint to the rest of the would-be homeowners.

Renters were presented with a number of options in home purchases which could help them with their financial constraints. These options involved obtaining additional resources from renting space in the house they would buy. Response to renting out an apartment in a house was generally more favourable than renting out a room; i.e.,

. would buy a house with a private apartment which could be rented	70%
. would buy a house and convert space into an apartment for rent	57%
. would buy a house and rent out a room	33%
. would buy a house with another couple or person	28%

The major reason given for not considering these options was the reduction in privacy resulting from such living arrangements. This was especially the case in renting out a room or buying a house with another couple or person. Being a co-buyer was also seen as being too complicated.

Renters who had no financial constraints and who intended to purchase within the next few years were also asked if they would consider renting out when they became owners; i.e.,

. if you were to buy, would you ever consider renting out a room?	yes	29%
	no	56%
	depends	15%
. if you were to buy, would you ever consider converting space into an apartment and renting it out?	yes	45%
	no	40%
	depends	15%

The potential for becoming a landlord, even on the part of renters who mentioned no financial problems, is quite good; almost 1/2 would consider converting. Undecided responses were mainly dependent on whether or not the money was needed or space in the house was available, or in the case of renting a room, whether a friend needed a place to stay.

Although response to converting and renting out was generally positive, it is unlikely that most renters would use potential rental income to stretch their house buying dollar. Only about 1/4 (27%) would buy a larger, more expensive house and rent part of it out instead of buying a smaller, less expensive house.

Preferences in home buying were further probed by asking renters to rank a number of alternative descriptions of homes (SEE FIGURE 2). The alternatives varied in terms of a number of factors thought to be of importance to the home buying decision; i.e.,

- . age of the house; i.e., resale or new
- . type of house; i.e., attached or detached
- . style of house; i.e., bungalow or 2-storey
- . location; i.e., city or suburbs
- . price which was associated with size and rental potential;
i.e., \$90,000. - 1,500 sq. ft. - no potential
\$100,000. - 2,000 sq. ft. - has potential
\$110,000. - 2,000 sq. ft. - has apartment

These alternatives, as was the case with the rental alternatives, were developed as fractional factorial designs. Estimation of the weights or importance assigned by respondents to each of the five factors was also as before.

Analysis of the 'importance' weights resulted in the identification of 5 homogeneous groups based on their preferences in home buying. These groups had little overlapping membership with the groups which arose from the analysis of rental preferences.

Preference Group Six (20%)

Renters in preference group six, the first of the housing preference groups, tend to be unmarried individuals (65%) in their early 40's. Their average household income is relatively low at \$20,000. a year. Slightly less than half (44%) intend to buy a home within the next few years and only about 1/3 (36%) of these renters think they will have the financial resources to do so.

FIGURE 2. ALTERNATIVES IN HOME PURCHASES



- 1
- older, attached 2-storey house
 - located in the suburbs
 - size 2,000 sq.ft.
 - price \$100,000
 - has potential for renting out an apartment



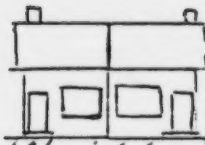
- 5
- new, detached 2-storey house
 - located in the suburbs
 - size 2,000 sq.ft.
 - price \$110,000
 - has an apartment which can be rented out



- 2
- new, detached 1-storey house
 - centrally located
 - size 2,000 sq.ft.
 - price \$100,000
 - has potential for renting out an apartment



- 6
- older, attached 1-storey house
 - centrally located
 - size 2,000 sq.ft.
 - price \$110,000
 - has an apartment which can be rented out



- 3
- new, attached 1-storey house
 - located in the suburbs
 - size 1,500 sq.ft.
 - price \$90,000
 - has no potential for renting out an apartment



- 7
- older, detached 1-storey house
 - located in the suburbs
 - size 1,500 sq.ft.
 - price \$90,000
 - has no potential for renting out an apartment



- 4
- older, detached 2-storey house
 - centrally located
 - size 1,500 sq.ft.
 - price \$90,000
 - has no potential for renting out an apartment



- 8
- new, attached 2-storey house
 - centrally located
 - size 1,500 sq.ft.
 - price \$90,000
 - has no potential for renting out an apartment

Most important to renters in this preference group, in terms of housing attributes, are age, location, and size; i.e.,

FACTOR:	<u>RESALE</u>	<u>ATTACHED</u>	<u>2-STOREY</u>	<u>CITY</u>	<u>SIZE</u>	<u>APT. FOR RENT</u>
WEIGHT:	2.04	-1.96	0.63	-1.13	1.17	-1.42

Renters in this group would prefer to buy the following type of house as described by the factors which were analysed:

- . a detached, older suburban home;
- . a larger, 2,000 sq. ft. home which has at least the potential for conversion;
- . a 2-storey house, although preference for this is not strong.

Paying more for a house with an apartment would not interest most renters in this group. Although about 1/2 would consider buying a house with an apartment, only 17% would be willing to stretch in order to buy such a house.

Preference Group Seven (21%)

Over 1/2 the renters in this group (55%) intend to buy a home in the next few years, and 2/3 of these households think they will be able to do so. Renters in this group are generally quite receptive to the idea of supplementing income by renting out part of one's house, and the importance placed on the various factors supports their opinions; i.e.,

FACTOR:	<u>RESALE</u>	<u>ATTACHED</u>	<u>2-STOREY</u>	<u>CITY</u>	<u>SIZE</u>	<u>APT. FOR RENT</u>
WEIGHT:	1.18	1.76	0.09	-0.18	0.10	2.17

The factor most important to preference in home purchase is whether or not the house has an apartment which could be rented out. In general, renters in this preference group prefer the following type of house:

- . a larger, older home which has an apartment which can be rented out.

These renters would be willing to trade-off a detached house and, to a lesser extent, a city location in order to buy their preferred house.

This group of renters consisted primarily of unmarried persons sharing an apartment (67%). Household income was the highest of any group at \$38,000. a year.

Preference Group Eight (11%)

The third home buying preference group was also made up of renters who were receptive to renting out space in a home. Renters in this group had a relatively high proportion of married couples (46%) and households with children (56%). Almost 70% of this group wanted to buy, but only 1/3 were not constrained by finances. For most of these households, using part of a house as rental space was an acceptable way of assisting the financing of a home purchase.

Important housing characteristics for these renters were age and style of home; i.e.,

FACTOR:	<u>RESALE</u>	<u>ATTACHED</u>	<u>2-STOREY</u>	<u>CITY</u>	<u>SIZE</u>	<u>APT. FOR RENT</u>
WEIGHT:	1.50	-0.67	-2.58	0.92	0.42	0.58

The most preferred type of house would be:

- . an older detached bungalow located in the city.

These potential buyers would be somewhat willing to buy a larger house with conversion potential or one that had already been converted, in order to get into a home of their own.

Renters in this preference group were mostly in their mid 30's. Average household income was relatively low at \$26,000. a year.

Preference Group Nine (11%)

The remaining two home purchase preference groups were generally not as receptive to the idea of using rental income in order to assist in the home purchase. Almost 1/2 (48%) had intentions of buying, and most (57%) thought they would be able to buy. Only 29%, however, would stretch in order to buy a larger home with an apartment. Households in this group tended to be unmarried renters (71%), mostly living alone. Average household income was \$28,000.

Preferences in housing were not as strong in this group as in others; i.e.,

FACTOR:	RESALE	ATTACHED	2-STOREY	CITY	SIZE	APT. FOR RENT
WEIGHT:	0.88	-0.73	-0.63	-0.98	0.20	-1.20

Housing preferred by this group can generally be described as an:

. older detached bungalow.

There is some preference for a larger house but not one which would have an apartment. Renters are willing to trade-off a preferred city location in order to get the type of house they want.

Preference Group Ten (25%)

Renters in the last preference group to be considered are also not terribly receptive to the idea of renting out space to assist their home purchase payments. Although about 1/2 would consider converting only 10% would stretch to buy a larger house which would have a converted unit in it. The importance attached to a larger house by this group is generally quite low; i.e.,

FACTOR:	<u>RESALE</u>	<u>ATTACHED</u>	<u>2-STOREY</u>	<u>CITY</u>	<u>SIZE</u>	<u>APT. FOR RENT</u>
WEIGHT:	1.73	1.25	-0.48	0.63	-0.16	0.02

The type of housing preferred by this group can be described as being older bungalows or one-storey houses. Renters in this group would be willing to accept an attached house and a smaller house, and give up a preferred suburban location in order to become an owner.

Households in this preference group can generally be described as unrelated singles sharing an apartment. Average age of these renters is 36 years; average household income, \$31,000.

4.0 KINGSTON RENTERS

A random sample of 100 renters was interviewed by telephone in Kingston in order to provide a comparison between a smaller Ontario municipality and Metro Toronto, in terms of potential demand for converted units in owner-occupied homes. The questionnaire used in Kingston was an amalgamation of the screening and follow-up questionnaires used in Toronto. Questions on trade-offs were, however, not included due to the use of telephone interviewing. Renters receiving government assistance in meeting their housing costs were also excluded from the Kingston survey.

4.1 Renter Types

Kingston renters were classified, similar to Toronto and North York renters, into two major groups; those with a high preference for renting an apartment in a house, and those with a low preference for renting an apartment in a house. Renters in each of these groups were also further segmented in terms of advantages and disadvantages seen in renting a house. The resulting four renter types were essentially the same as those identified in the Toronto/North York survey; i.e.,

High Preference Renters

- TYPE ONE - households with a high preference for renting an apartment in a house; both advantages and disadvantages of this type of accommodation were seen by these renters;
- TYPE TWO - households with a high preference for renting in a house, but who mentioned only the advantages;

Low Preference Renters

- TYPE THREE - renters with a low preference for renting in a house; no opinions were offered as to the advantages or disadvantages of renting in a house;
- TYPE FOUR - renters with a low preference for renting in a house and who mentioned only the disadvantages.

General household characteristics and attitudes of these renter types are discussed below.

4.1.1. High Preference Renters (51%)

<u>Household Characteristics</u>	<u>TYPE ONE (25%)</u>	<u>TYPE TWO (26%)</u>
. average length of residency	1.5 years	1.7 years
. average household size	2.4 persons	2.5 persons
. average age of household head	32 years	32 years
. marital status - single	56%	50%
- married	36%	42%
- other	8%	8%
. median household income	\$17,000.	\$14,000.
. more than one income	35%	68%

The two types of high preference households are quite similar in terms of their general household characteristics. Both tend to be in their early 30's, living with another person or their spouse and earning relatively modest incomes. About 30% of these households have children.

<u>Present Unit Characteristics</u>	<u>TYPE ONE (25%)</u>	<u>TYPE TWO (26%)</u>
. building type - apt. building	52%	46%
- house	48%	54%
. number of bedrooms - bachelor	8%	4%
- one bedroom	28%	19%
- two bedrooms	48%	39%
- three+ bedrooms	16%	38%
. average monthly rent	\$300.	\$315.

Most renters in the high preference group are presently in two or three bedroom units; about 1/2 are renting in an apartment building. TYPE TWO renters are slightly more likely to be living in larger apartments even though household size of the two types is similar.

<u>Attitudes</u>	<u>TYPE ONE (25%)</u>	<u>TYPE TWO (26%)</u>
. rented in house before	36%	19%
. building preference - house	60%	85%
- apt. building	40%	12%
. advantages of a house	100%	100%
- more privacy	59%	60%
- more 'home-like'	41%	28%
- access to a yard	27%	36%
- more sociable	27%	12%
. disadvantages of a house	100%	0%
- poorer maintenance	36%	-
- lack of facilities	40%	-
- more expensive	15%	-
- less privacy	15%	-

The major distinguishing factor between the two high preference renter types is whether or not disadvantages of renting an apartment in a house were mentioned. TYPE TWO renters who saw no disadvantages in renting in a house were also more likely to prefer living in a house instead of an apartment. Advantages of an apartment in a house most frequently mentioned by this renter type were more privacy, access to a yard, and a more home-like ambience.

TYPE ONE renters, who were more likely to have rented in a house before, saw both advantages and disadvantages of renting in a house. Although preference for a house over an apartment building was relatively high, about 1/3 or so of the renters of TYPE ONE mentioned problems of poorer upkeep and fewer facilities associated with renting in a house. The advantages of renting in a house most frequently mentioned were more privacy, a more home-like ambience, access to a yard, and a more sociable environment.

In terms of overall preference in unit type, most high preference renters would prefer to live in an apartment in a house that had been totally converted. Second choice for most would be to rent in an apartment building. Sharing a house with friends was generally the least preferred alternative; i.e.,

<u>Preference in Unit Type</u>	<u>TYPE ONE</u>	<u>TYPE TWO</u>
. apt. in totally converted house	1.8	2.0
. apt. in apt. building	2.3	2.6
. apt. in owner-occupied house	2.8	2.6
. sharing house with friends	3.0	2.8

Although few renters in the high preference group admitted to being dissatisfied with their present unit (8%) and most felt that the space in their apartment was adequate (68%), and rent was affordable (78%), and location all right (74%), only about 1/3 (36%) were pleased about renting and thought they would continue to rent; i.e.,

	TYPE ONE	TYPE TWO
. pleased about renting and will continue to rent	36%	31%
. unhappy about renting and will buy within next 3 years	20%	42%
. unhappy about renting, but must continue to rent	44%	27%

TYPE ONE renters would appear to be a much more frustrated group than TYPE TWO renters, given that relatively fewer of these renters see the possibility of home purchase releasing them from their present situation.

4.1.2 Low Preference Renters (49%)

Household Characteristics	TYPE THREE (15%)	TYPE FOUR (34%)
. average length of residency	2.2 years	1.7 years
. average household size	2.0 persons	2.0 persons
. average age of household head	44 years	43 years
. marital status - single	39%	39%
- married	46%	39%
- other	15%	21%
. median household income	\$24,000.	\$17,000.
. more than one income	46%	65%

Renters in the low preference group vary significantly in some of their household characteristics from the renters in the high preference group. To a certain extent, these differences parallel those found between the two renter groups in Toronto and North York. Renters in the low preference group in Kingston tend to be substantially older than the high preference group. The average age for this group is 43 years, but this is somewhat misleading since most renters tend to be either under 30 or over 50 years of age. Most households in this group are unmarried and few (18%) have children, especially TYPE FOUR renters.

<u>Present Unit Characteristics</u>		<u>TYPE THREE</u>	<u>TYPE FOUR</u>
. building type	- apt. building	53%	70%
	- house	47%	30%
. number of bedrooms	- bachelor	7%	0%
	- one bedroom	13%	18%
	- two bedroom	47%	56%
	- three+ bedroom	33%	26%
. average monthly rent		\$360.	\$340.

Low preference renters tend to live in two or three bedroom units. Average rent paid by this group is about \$50. more a month than by renters in the high preference group. TYPE FOUR renters are the most likely of any group to be living in an apartment building.

<u>Attitudes</u>	<u>TYPE THREE</u>	<u>TYPE FOUR</u>
. rented in house before	18%	38%
. building preference - house	40%	15%
- apt. building	47%	85%
. advantages of a house	0%	0%
. disadvantages of a house	0%	100%
- less privacy	-	39%
- poorer maintenance	-	18%
- fewer facilities	-	18%

Quite a few (40%) of TYPE THREE renters would prefer renting in a house instead of an apartment even though for most who were now living in an apartment, this would be a new experience. TYPE FOUR renters definitely prefer renting in an apartment building. The most frequently mentioned disadvantages of renting in a house by these renters were less privacy, poorer maintenance and fewer facilities.

Both renter types in this group tend to rank renting in an apartment building as the most preferred type of accommodation in comparison to other alternatives; i.e.,

<u>Preference in Unit Type</u>	<u>TYPE THREE</u>	<u>TYPE FOUR</u>
. apt. in apt. building	1.3	1.4
. apt. in totally converted house	2.2	2.4
. apt. in owner-occupied house	2.7	2.9
. sharing house with friends	3.4	3.1

Few renters in the low preference group are dissatisfied with their present apartment (6%). The vast majority of renters in this group feel they have sufficient space, rent is affordable and location desirable. In contrast to the high preference group, over 70% are pleased about renting; i.e.,

	<u>TYPE THREE</u>	<u>TYPE FOUR</u>
. pleased about renting and will continue to rent	79%	70%
. unhappy about renting and will buy within next 3 years	0%	12%
. unhappy about renting, but must continue to rent	21%	18%

4.2 Demand Group

Generally speaking, the renter types arising from the analysis of the Kingston survey were quite similar to those found in Toronto and North York. In both studies, it was found that renters could be almost equally split into two groups: a group with a high preference for renting in a house, and a group with a low preference for renting in a house. Renters in the high preference group tend to be younger couples or singles. They generally have ambitions to become owners in the near future. Renters in the low preference group tend to be older, childless couples or singles who are, for the most part, content to continue renting.

By and large, it can be assumed that most of the demand for rental accommodation in houses will come from the high preference group of renters. In examining the characteristics of this demand in Kingston, the high preference group will be looked at in more detail. Of particular interest is the importance attached to specific unit characteristics, and propensity to supply rental accommodation if and when a house is purchased.

5.0 DEMAND CHARACTERISTICS - KINGSTON

The potential demand group in Kingston, renters who have a high preference for renting an apartment in a house, constitute about 1/2 the renters surveyed. Fifty percent of these renters are, however, already renting in a house, primarily an apartment in a totally converted detached house. Almost 1/2 (49%) of the renters in the potential demand group do, however, intend to move from their home within the next year or so. It was, therefore, decided not to exclude those already renting in a house since there is a good possibility that they would be looking for new accommodation in the near future.

5.1 Preferences in Converted Units

Some preferences in renting an apartment in a house have already been looked at in the discussion of advantages and disadvantages and overall ranking of unit types. Renters in the potential demand group (high preference group) would generally prefer to live in a house that was totally converted, that is no landlord and one which was well kept-up.

Other factors of importance to the potential demand group were whether the apartment had its own bath and kitchen, monthly rental costs, location, number of bedrooms, availability of parking, and on which floor of the house the apartment was located on; i.e.,

Very important factors associated with
renting an apartment in a house

Judged very important by:

. private bath and kitchen	94%
. monthly rent	83%
. location	63%
. number of bedrooms	63%
. availability of parking	57%
. floor of house	51%
. private, separate entry	45%
. access to backyard	32%
. absentee landlord	18%

A private, separate entry, access to the back yard and whether or not the landlord lived in the house were generally judged to be of lesser importance by most of the potential demand group.

Renters in the potential demand group were also asked if they saw any advantages to renting just a room in a house. Response to this was for the most part negative; i.e.,

. Advantage in renting just a room:	Yes	21%
	No	79%

Only one in five renters saw any advantage; i.e., a room would be less expensive. Most renters would, however, not want to rent just a room because of insufficient space (31%) and insufficient privacy (33%).

5.2 Home Purchase Preferences

About 2/3 (69%) of renters in the potential demand group wanted to buy a home within the next few years. Preferences in location were more or less split between city and suburb. Preference for an older home was slightly higher; i.e.,

. locational preference - suburbs	47%
- city	53%
. age preference - new	39%
- resale	50%
- don't know	11%

Approximately 1/2 (58%) of renters who wanted to buy thought they would be able to do so. Others saw financial constraints hindering their home ownership ambitions. Renters who faced financial constraints were presented with a number of options in the form of renting out space which would assist them in financing a home. About 1/2 of these renters would consider at least some of these options; i.e.,

. buy house with an apartment	57%
. buy house and rent a room	29%
. buy house and convert space into apartment	43%
. buy house with another couple	36%

Most would-be owners facing financial constraints would not consider renting out a room in order to supplement their income. Lack of privacy and hassles with tenants were seen as major problems. Converting space into an apartment was rejected by most because of the expense and reduction in privacy. The loss of privacy was seen as the major disadvantage in becoming a co-buyer.

Other renters in the potential demand group were also similar in their reaction to some of the above-mentioned options; i.e.,

. would consider renting out room	33%
. would consider converting space into apartment	36%

Overall, about 50% of renters would consider renting out a room or using space in their home, if they were owners. Only 20% of renters would, however, opt for buying a larger, more expensive house with an apartment which could be rented instead of a smaller, less expensive house.

6.0 PART THREE: IMPLICATIONS

The study of renters in Toronto, North York and Kingston has a number of implications for assessing the potential demand for rental accommodation in houses and for the potential of encouraging new home buyers to provide rental accommodation. These implications are discussed below in terms of:

- . potential market demand for rental units in houses;
- . preferred characteristics of such units;
- . potential supply of rental space by prospective homeowners.

6.1 Potential Market Demands

In all three municipalities, potential demand for rental accommodation in a house was quite similar. Overall, about 1/2 of all renters can be considered as constituting the potential demand group. When renters who are already renting in a house are excluded, potential demand still remains a respectable 25%. These proportions were essentially identical for all three municipalities.

Most of the demand comes from renters who have some intention to buy their own home in the near future. Renters who are not interested in renting in a house tend to prefer renting instead of owning. This difference is somewhat more pronounced in Kingston than in Toronto and North York.

Households in the potential demand group in Toronto tend to be either singles sharing an apartment or childless, married couples. Average age is around 36 years and household income somewhat above the average for renters at \$29,000. In Kingston, renters in the demand group tend to be similar in household composition, but somewhat younger with an average age of 32 and with lower incomes (\$15,000.).

Potential demand groups are generally satisfied with their present apartments (but not with renting). Preferences for renting in a house are, therefore, not so much associated with "push factors" from their present home, but rather the "pull" of the perceived advantages of renting in a house.

6.2 Preferred Unit Characteristics

Although substantial demand exists for renting in a house, demand for specific types of accommodation is much more limited. Few renters in any of the municipalities surveyed would consider renting just a room or sharing the rent of a house with friends. The preferred choice for most of the demand groups is renting a self-contained apartment in a totally converted house. Only 22% of the potential demand group in Toronto and North York and 16% in Kingston would prefer to rent in an owner-occupied house.

The analysis of unit preference was considerably more extensive in Toronto and North York than in Kingston. In Toronto and North York, it was found that

most renters place a strong importance on where the apartment is located in the house. Upper floors, not basements are the most preferred choice and very important in the rental decision. Renters generally would consider trading-off such important features as a private, separate entry or a higher rent in order to get an upper floor apartment with the desired number of bedrooms.

Only two types of renters were found who were willing to trade-off an upper floor apartment for other, more important features. A proportion of single renters now living in one bedroom apartments would be willing to accept a basement apartment for access to a yard and a lower rent. This group constituted about 14% of the potential demand segment. The other group of renters placed the most importance on number of bedrooms. These renters were primarily married couples, about 1/2 with children.

In order to get a larger unit, a basement unit would be considered. Renters in this category made up 19% of the potential demand group.

6.3 Rental Unit Supply Potential

Renters in the potential demand segment for rental accommodation in a house also constitute a potential source of supply of such units when they become homeowners. Purchase intentions were relatively high amongst the demand group; 51% in Toronto and North York and 69% in Kingston intended to buy within the next 3 years.

Attitudes toward supplying rental accommodation when they became owners were generally quite positive amongst the demand groups. In Toronto and North York, 30% of the potential demand group would consider renting out a room if they were to buy a house; 50% would consider converting space into an apartment. In Kingston, 34% would consider renting a room, and 40% converting if they were to buy. Consideration of such options generally increased if financial resources were a constraint on purchase intentions.

Renters in Toronto and North York were also more likely to consider buying a larger, more expensive house if it had an apartment which could be rented out, than were the Kingston group (27% vs. 17%, respectively). Considerations aside, however, only one group of Toronto and North York renters placed a strong importance on buying a house with an apartment in it. This group (21%) consisted primarily of unmarried persons sharing an apartment. Home ownership sentiments were quite strong in this group of renters.

If a third to a half of first-time buyers could be encouraged to provide rental accommodation in the houses they buy, the potential impact on the supply of rental accommodation could be quite significant. In a given housing market, this could match the annual supply of new rental units produced.

APPENDIX C

- C.1 Summary of Questionnaire
- C.2 Summary of Renter Groups
- C.3 Summary of Follow-Up Questionnaire

C.1 SUMMARY OF QUESTIONNAIRETELEPHONE SURVEY ANALYSIS - TORONTO AND NORTH YORK RENTERS

Q.1	Length of residency (n=503) average 4.4 years			
	1. less than 2 years	32%	3. 6 to 10 years	13%
	2. 2 to 5 years	46%	4. over 10 years	9%

Q.2	Building type (n=503)			
	1. apt. bldg./no elevator	16%	4. detached house	12%
	2. apt. bldg./with elevator	54%	5. other	1%
	3. attached house	16%		

Q.3	Number of bedrooms (n=504)			
	1. bachelor/bed-sitting	6%	4. three bdrm.	15%
	2. one bdrm.	36%	5. four + bdrm.	4%
	3. two bdrm.	39%		

Q.4	Share bath/kitchen (n=504)			
	1. yes	7%	2. no	93%

Q.5	Rented unit in house before (n=500)			
	1. yes	36%	2. no	64%

Q.6 (a)	Preference in bldg. type (n=504)			
	1. house	50%	3. don't know	8%
	2. apt. bldg.	42%		

(b)	Advantages in renting unit in house (n=494)			
	1. yes	56%	2. no	44%

(% OF CASES)

<u>IF YES:</u>	1. have yard	33%	4. no elevators	17%
	2. more like own home	25%	5. more sociable	16%
	3. more privacy	24%	6. other	50%

(c)	Disadvantages in renting unit in house (n=490)			
	1. yes	58%	2. no	42%

(% OF CASES)

<u>IF YES:</u>	1. less privacy	35%	4. more noise	10%
	2. less maintenance	16%	5. more expensive	10%
	3. landlord problems	15%	6. other	50%

Q.7 Preference ranking in unit type (n=474)

1. apt. in apt. bldg.	1.9	3. apt. in converted house	2.3
2. apt. in owner-occupied house	2.8	4. sharing house with friends	3.1

Q.8 Purchase intentions (n=502)

1. yes	31%
2. no	67%
3. don't know	3%

(i) IF YES: Area preference

1. suburbs	35%	3. outside Metro	3%
2. older city area	59%	4. don't know	4%

(ii) IF YES: Age preference

1. new home	37%	3. don't know	10%
2. old home	53%		

Q.9 (i) Monthly rent (n=448) average \$424

1. under \$300	19%	4. \$400 - \$449	13%
2. \$300 - \$349	17%	5. \$450 - \$499	8%
3. \$350 - \$399	18%	6. \$500 - \$599	12%
		7. \$600 and over	13%

(ii) Pay rent by self (n=489)

1. yes	72%	2. no	28%
--------	-----	-------	-----

Q.10 Renting attitude (n=502)

1. pleased	41%	3. unhappy but stuck	37%
2. unhappy and will buy	20%	4. pleased and will buy	2%

Q.11 Household size (n=501)

1. one person	34%	4. four persons	9%
2. two persons	36%	5. over four persons	5%
3. three persons	15%		

Q.12 No. of vehicles (n=503)

1. no cars	33%	3. two cars	14%
2. one car	50%	4. three or more cars	3%

Q.13 Age of household head (n=490) average 39.7 years

1. under 25	12%	6. 45-49	5%
2. 25-29	25%	7. 50-54	6%
3. 30-34	15%	8. 55-59	3%
4. 35-39	10%	9. 60-64	6%
5. 40-44	6%	10. 65 and over	11%

Q.14 Marital status (n=498)

1. single	45%
2. married	39%
3. other	16%

Q.15 Income (n=422)

1. under \$15,000	18%	3. \$30 - \$45,000	25%
2. \$15 - \$30,000	44%	4. over \$45,000	13%

Q.16 Include income from more than one (n=472)

1. yes	50%	2. no	50%
--------	-----	-------	-----

Q.17 Postal code (n=395) See map.

1. M5A - M5T (central)	19%	3. M6A - M6R (west)	20%
2. M4N - M4Y (east)	30%	4. M1L - M3N (north)	31%

Q.18 Respondent's sex

1. male	50%	2. female	50%
---------	-----	-----------	-----

FOR EACH COMPLETED INTERVIEW, RECORD: RESPONDENT NAME _____
 TELEPHONE NUMBER _____

TORONTO AND NORTH YORK

I.D.

1-4

RENTER QUESTIONNAIRE SCREEN

Q. 1 How long have you been living at your present address?
 (RECORD TO CLOSEST YEARS) Years 5,6

Q. 2 What kind of a building are you living in at the present
 time? Is it an...

READ AND
 CIRCLE
 ANSWER
 (IF DUPLEX,
 CIRCLE 3)

Apartment Building Without an Elevator	1
Apartment Building With an Elevator	2
Town, Row or Attached House, or	3
A Detached House?	4
Other _____	5

Q. 3 How many bedrooms are in your dwelling? RECORD 8
 Bedrooms

Combined bed/sitting-
 room, bachelor unit
 (CODE 1) 9

Q. 4 Do you share kitchen or bathroom facilities
 with other households?

Yes	1
No	2

 10

Q. 5 In the past, have you ever rented a flat, suite or
 apartment in a house?

Yes	1
No	2

 11

Q. 6 (a) Supposing for the moment that you are looking for a
 new place to rent, if you had a choice between equal
 sized apartments in a house or in an apartment
 building, both in an area you liked, which would
 you prefer to live in?

Prefer House	1
Prefer Apartment Building	2
Don't Know, Depends	9

 12

ROTATE

(b) Do you see any major advantages in renting an
 apartment in a house as opposed to renting in
 an apartment building?

Yes	1
No	2

 13

IF YES, ASK: What would those be?

(c) Do you see any major disadvantages of renting an apartment
 in a house as opposed to renting in an apartment
 building?

Yes	1
No	2

 20

IF YES, ASK: What would those be?

- Q. 7 (i) In terms of your own preference for rental accommodation, which would be your first choice of the following four alternatives assuming rental costs and location were comparable?

(IF REFUSE 3 CHOICES, CODE 9 AT POINT OF REFUSAL.)

READ AND

REPEAT AS

NECESSARY

	CHOICE
1. an apartment in an apartment building	37
2. an apartment in an owner-occupied house	37
3. an apartment in a house that was totally changed into apartments	37
4. sharing the rent for an entire house with a number of friends	30

- (ii) What would be your second choice? (READ ONLY REMAINING 3)

- (iii) What would be your third choice? (READ ONLY REMAINING 2 AND RECORD LAST CHOICE AS "4")

- Q. 8 Do you have any intentions to buy a home within the next three years?

Yes	1	
No	2	31
Don't know	9	

- IF YES, ASK: (i) Would you rather buy a home in the suburbs or a home in an older area of the city?

Suburbs	1	
City	2	32
Don't Know	9	

- (ii) Would you rather buy a brand new home or an older home?

New	1	
Old	2	33
Don't Know	9	

- Q. 9 (i) How much is the monthly rent for your present home? (IF REFUSE, CODE 9999)

DOLLARS: \$

--	--	--	--

 34-35

- (ii) Are you paying the entire amount by yourself?

Yes	1	
No	2	35
Refuse	9	

- Q. 10 Which of the following statements do you feel best describe your own situation with regard to renting:

(a) I am pleased about renting and will continue to rent	1	
(b) I am unhappy about renting and anticipate purchasing my own home in the next three years	2	37
(c) I am unhappy about renting but must continue to rent	3	

- Q. 11 I just have a few more questions. How many people including yourself live in your home? RECORD

Persons		40
---------	--	----

- Q. 12 How many motor vehicles are there in your household?

Vehicles		41
----------	--	----

- Q. 13 What is the age of the head of your household? (IF NO HEAD, ASK RESPONDENT'S AGE)

Years		42, 43
-------	--	--------

- Q. 14 And what is your marital status?

DO

NOT

READ

Single	1	
Married	2	
Other (Widowed, divorced, separated)	3	44
Refuse	9	

Q. 15 Was the total income before tax of all the members of your household over or under \$30,000 last year?

Over \$30,000	1
Under \$30,000	2
Refuse, don't know	9

v5

IF OVER \$30,000, ASK: Was it over \$45,000?

Over \$45,000	1
Under \$45,000	2
Refuse, don't know	9

v6

IF UNDER \$30,000, ASK: Was it over \$15,000?

Over \$15,000	1
Under \$15,000	2
Refuse, don't know	9

v7

Q. 16 Does this include income from more than one person?

Yes	1
No	2
Refuse	9

v8

Q. 17 Could you tell me your postal code?

CODE

49	50	51	52	53	54

IF NO CODE, ASK: Could you then tell me the nearest major intersection to where you live?

INTERSECTION: _____

AND _____

55	56

Q. 18 DO NOT ASK: Sex of respondent.

Male	1
Female	2

v9

Thank you very much. Those are all the questions I have.

Could I please get your name and telephone number in order that this interview can be verified by my supervisor?

NAME: _____

TELEPHONE NUMBER: _____

INTERVIEWER NAME: _____

NUMBER

57	58

C.2 SUMMARY OF RENTER GROUPS

	<u>HIGH PREFERENCE GROUPS</u>		<u>LOW PREFERENCE GROUPS</u>	
	<u>TYPE 1</u>	<u>TYPE 2</u>	<u>TYPE 3</u>	<u>TYPE 4</u>
	(n=151)	(n=126)	(n=79)	(n=148)
<u>2.1 Household Characteristics:</u>				
1. average length of residency	3.5 yrs.	3.4 yrs.	5.0 yrs.	5.7 yrs.
2. average household size - persons	1.9	2.4	2.3	2.2
3. average age of household head	36 yrs.	36 yrs.	46 yrs.	44 yrs.
4. marital status - single	60%	37%	45%	38%
- married	29%	50%	36%	42%
- other	11%	14%	19%	20%
5. household income - under \$15,000	17%	12%	20%	22%
- \$15 - \$30,000	36%	45%	59%	46%
- \$30 - \$45,000	32%	30%	12%	21%
- over \$45,000	15%	13%	9%	11%
6. more than one wage earner - yes	48%	58%	47%	45%
7. sex of respondent - male	50%	58%	43%	48%

2.2 Unit Characteristics:

1. bldg. type - apt.bldg. w/o elevator	16%	16%	19%	16%
- apt.bldg. w/ elevator	50%	41%	60%	66%
- attached house	22%	23%	9%	8%
- detached house	13%	18%	10%	8%
2. no. of bdrms. - bachelor	7%	4%	10%	5%
- 1 bdrm.	39%	35%	29%	37%
- 2 bdrm.	37%	40%	42%	40%
- 3+ bdrm.	17%	22%	19%	18%
3. share facilities - yes	6%	6%	9%	7%
4. average monthly rent	\$463	\$433	\$370	\$395
5. pay entire rent by self - yes	65%	72%	74%	79%

	HIGH PREFERENCE GROUPS		LOW PREFERENCE GROUP	
	TYPE 1	TYPE 2	TYPE 3	TYPE 4
	(n=151)	(n=126)	(n=79)	(n=148)
2.3 Attitudes:				
1. rented in a house before - yes	48%	42%	22%	28%
2. bldg. preference - house	70%	86%	25%	12%
- apt.bldg.	25%	10%	56%	81%
3. advantages of house - yes	99%	100%	0%	3%
IF YES: yard	36%	30%	-	-
ambience	30%	21%	-	-
privacy	20%	26%	-	-
no elevators/grade access	20%	14%	-	-
sociable	20%	14%	-	-
4. disadvantages of house - yes	100%	0%	0%	100%
IF YES: privacy	21%	-	-	51%
maintenance	20%	-	-	11%
landlord problems	10%	-	-	20%
noise	12%	-	-	8%
cost	12%	-	-	8%
5. rating of unit type (average)				
- apt. in apt. bldg.	2.2	2.6	1.6	1.2
- apt. in owner-occupied house	2.6	2.1	2.6	3.1
- apt. in converted house	1.9	2.0	2.5	2.3
- sharing house with friends	2.8	2.9	2.9	3.2
6. purchase intentions - yes	34%	38%	27%	23%
IF YES: location preference -				
suburbs	35%	35%	38%	32%
city	65%	57%	43%	56%
age preference - new	31%	22%	57%	57%
- resale	64%	61%	33%	37%
7. renting attitude - pleased	35%	32%	49%	50%
- not pleased and will buy	22%	24%	19%	14%
- not pleased but must rent	40%	41%	32%	36%

C.3 SUMMARY OF FOLLOW-UP QUESTIONNAIRE:

TORONTO AND NORTH YORK RENTERS

(n=154 unless otherwise indicated)

Building type

1. apt. bldg./no elevator	13%	5. entire detached house	4%
2. apt. bldg./with elevator	63%	6. apt. in detached house	5%
3. entire attached house	6%	7. other	3%
4. apt. in attached house	6%		

Q.1 Length of residency

1. less than 2 years	35%	3. 6 to 10 years	13%
2. 2 to 5 years	44%	4. over 10 years	8%

Q.2 Number of bedrooms (n=153)

1. bachelor	12%	4. three bedrooms	16%
2. one bedroom	28%	5. four + bedrooms	5%
3. two bedrooms	39%		

Q.3 (a) Monthly rent (n=152)

1. \$200 - \$300	21%	4. \$500 - \$600	10%
2. \$300 - \$400	32%	5. \$600 - \$700	3%
3. \$400 - \$500	23%	6. over \$700	11%

(b) Pay entire rent by self

1. by self or with spouse	71%	2. pay with unrelated person	29%
---------------------------	-----	------------------------------	-----

Q.4 Previous tenure:

1. rented	71%
2. owned	12%
3. other	17%

Q.5 (a) Satisfaction with present unit

1. very satisfied	51%
2. somewhat satisfied	42%
3. dissatisfied	7%

3)

(b) Reasons for dissatisfaction (n=11) (more than one response taken)

1. dislike neighbours	33%	4. prefer to own	22%
2. poor upkeep	33%	5. other	44%
3. too crowded	22%		

(c) Have enough space in present unit (n=153)

1. yes	73%	2. no	27%
--------	-----	-------	-----

(d) Number of vehicles in household

1. none	30%	3. two	14%
2. one	53%	4. three or more	3%

(e) Parking available (n=152)

1. yes	92%	2. no	8%
--------	-----	-------	----

(f) Is rent more than can afford (n=153)

1. yes	16%	2. no	84%
--------	-----	-------	-----

(g) Prefer to be living elsewhere in city

1. yes	19%	2. no	81%
--------	-----	-------	-----

Q.6 Plan to move within next year or so

1. yes	34%
2. no	55%
3. don't know	11%

Q.7 IF PRESENTLY LIVING IN AN APT. BLDG.

Ever rented in a house (n=117)

1. yes	38%	2. no	62%
--------	-----	-------	-----

IF YES: Type of unit (n=41)

1. self-contained apartment	68%	2. room	32%
-----------------------------	-----	---------	-----

Ever rented an entire house (n=117)

1. yes, by self	14%	3. no	74%
2. yes, with others	13%		

Q.9 Importance of factors associated with apt. in a house

	AVERAGE	IMPORTANCE RATING (7=HIGH)						
		1	2	3	4	5	6	7
(a) location; i.e. suburb vs. city	5.7	2%	1%	5%	9%	44%	23%	16%
(b) size; i.e., no. of bedrooms	5.0	2%	1%	7%	20%	34%	19%	16%
(c) monthly rent	5.4	0%	0%	3%	19%	34%	20%	24%
(d) parking availability	4.4	18%	8%	3%	17%	21%	10%	23%
(e) private, separate entry	5.1	5%	6%	8%	14%	27%	13%	28%
(f) apt. with pvt. bath and kitchen	6.6	0%	0%	1%	1%	10%	15%	73%
(g) apt. location; i.e., basement vs. upper floor	5.1	4%	4%	8%	18%	23%	25%	19%
(h) access to yard	3.9	9%	13%	19%	23%	15%	12%	9%
(i) landlord in house or absentee	3.2	21%	19%	22%	13%	9%	5%	9%

Q.10 Preferences of alternatives in renting an apt. in a house (n=126)

Preference:	ALTERNATIVE (SEE TEXT FOR DESC.)								
	1	2	3	4	5	6	7	8	9
1st	3%	0%	2%	16%	4%	10%	12%	40%	13%
2nd	6%	4%	2%	20%	16%	17%	13%	12%	11%
3rd	9%	7%	7%	17%	13%	13%	11%	16%	7%
4th	6%	10%	4%	11%	17%	9%	13%	17%	13%
5th	12%	13%	8%	9%	13%	10%	13%	10%	11%
6th	14%	22%	10%	7%	14%	11%	8%	2%	11%
7th	16%	13%	17%	10%	6%	17%	10%	2%	8%
8th	15%	18%	25%	3%	8%	9%	12%	2%	9%
9th	20%	13%	25%	6%	9%	4%	6%	0%	17%
Average Preference Rank:	6.2	6.2	6.9	3.9	4.8	4.6	4.6	2.7	5.1

Q.11 Advantages in renting just a room in a house

<u>YES</u>	14%	1. financially cheaper	100%
		2. social aspect appealing	13%
<u>NO</u>	86%	1. lack of privacy	54%
		2. not enough space	50%
		3. shared facilities inadequate	19%
		4. unsuitable lifestyle	10%

21

3;

Q.12 (a) Want to buy a home within next few years

1. Yes	51%
2. No	45%
3. Don't know	4%

IF YES/DON'T KNOW:

(b) Will be able to do so (n=86)

1. Yes	45%
2. No	36%
3. Maybe/depends	19%

IF UNABLE OR DEPENDS:

(c) Why not/depends on what (n=46)

1. Financial reasons	100%
----------------------	------

(d) Would do any of the following if affordability helped (n=46)

(more than one response if NO)

1. buy house with private apt. for rental	1. yes	70%
	2. no - lack of privacy	15%
	3. no - other	15%
2. buy house and rent out room	1. yes	33%
	2. no	9%
	3. no - lack of privacy	41%
	4. no - problem tenants	13%
	5. no - other	9%
3. buy house and convert space into apt.	1. yes	57%
	2. no - lack of privacy	15%
	3. no - problem tenants	9%
	4. no - other	20%
4. buy house with other couple/person	1. yes	28%
	2. no - lack of privacy	46%
	3. no - too complicated	26%
	4. no - other	2%

Q.13 If were to buy a house, ever consider renting out room (n=112)

- 1. yes 29%
- 2. no 56%
- 3. depends 15%

IF DEPENDS: On what (n=16)

- 1. if needed money 38%
- 2. if space available 31%
- 3. if friends needed space 31%

Q.14 If were to buy a house, ever consider converting space into apt. (n=112)

- 1. yes 45%
- 2. no 40%
- 3. depends 14%
- 4 don't know 1%

IF DEPENDS: On what (n=17)

- 1. if needed money 47%
- 2. if space available 41%
- 3. if friends needed space 12%

Q.15 Would rent out if could afford larger, more expensive home

- 1. yes 27%
- 2. no 68%
- 3. don't know 6%

Q.16 Preferences in alternatives in buying house types (n=127)

Preference:	ALTERNATIVES (SEE TEXT FOR DESC.)							
	1	2	3	4	5	6	7	8
1st	3%	22%	5%	33%	6%	13%	13%	5%
2nd	2%	30%	4%	13%	10%	14%	15%	12%
3rd	5%	13%	9%	13%	13%	21%	12%	17%
4th	15%	11%	8%	18%	12%	9%	5%	23%
5th	21%	7%	12%	7%	18%	9%	12%	14%
6th	31%	8%	12%	2%	17%	7%	13%	11%
7th	13%	6%	21%	9%	15%	13%	17%	7%
8th	11%	4%	31%	5%	11%	13%	15%	11%
Average preference rank	5.5	3.2	6.0	3.2	5.0	4.4	4.8	4.5

Q.17(a) Household size			
1. one person	34%	3. three persons	12%
2. two persons	42%	4. four + persons	12%
(b) Children in house			
1. yes	20%	2. no	80%
(c) IF YES: How many children (n=31)			
1. one child	55%		
2. two children	29%		
3. three + children	16%		

Q.18 Respondent's sex			
1. male	53%	2. female	47%

Q.19 Original respondent			
1. yes	93%	2. no	7%

* Q.8 IF HOME BUYING INTENTIONS (n=57)

(i) location preference:	1. suburbs	27%
	2. city	68%
	3. don't know	5%

(ii) age preference:	1. new home	23%
	2. resale	61%
	3. don't know	16%

* Q.13 Age of household head (n=151)

1. under 25 yrs.	12%	6. 45-49 yrs.	4%
2. 25-29 yrs.	30%	7. 50-54 yrs.	6%
3. 30-34 yrs.	18%	8. 55-59 yrs.	8%
4. 35-39 yrs.	8%	9. 60-64 yrs.	4%
5. 40-44 yrs.	5%	10. 65 yrs. and older	10%

* Q.14 Marital status

1. single	53%
2. married	36%
3. other	12%

* Q.15 Household income (n=139)

1. under \$15,000	18%	3. \$30 - \$45,000	32%
2. \$15 - \$30,000	34%	4. \$45,000 and over	16%

* Q.16 More than one wage earner (n=139)

1. yes	52%	2. no	48%
--------	-----	-------	-----

* from screening questionnaire

RENTER QUESTIONNAIRE FOLLOW-UP

INTRODUCTION: Let me start by giving you a brief overview of the study we're doing. The Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario is looking into alternative ways in which future housing needs in the Province can be met. We're particularly interested in talking to renters such as yourself in order to get your opinions, views and ideas on some alternative ways of providing additional housing.

What I'd like to do is start off with some general questions about your present dwelling unit.

Q. 1 First of all, could you tell me, how long have you been renting this dwelling? RECORD YEARS, MONTHS IF LESS THAN ONE YEAR.

Years		
Months		
Bedrooms		10

Q. 2 How many bedrooms are there in your dwelling?
RECORD.

Or Bachelor Unit ☐ 11

Q. 3 (a) How much do you pay in monthly rent for your dwelling? IF REFUSE, CODE 9999.

9 12

(b) Do you pay the entire amount by yourself?

IF HUSBAND AND WIFE, CODE "1"

Yes	1
No	2
Refuse	9

Q. 4 Did you rent before you moved here?

IF "NO", PROCE OWNERSHIP OR OTHER.

Yes, Rented	1
No, Owned	2
No, Other	3

Q. 5 (a) How satisfied are you with your present living accommodations? Would you say that you are:

GO TO (a)

ASK (b)

Very Satisfied	1
Somewhat Satisfied, Or	2
Dissatisfied	3

(b) IF DISSATISFIED, ASK: Why do you say that?

	1
	2
	3

(c) Do you feel you have enough space in your present unit?

Yes	1
No	2

(d) How many motor vehicles do you have in your household?

Vehicles	1
----------	---

(e) Is parking available to your household (whether or not you use it)?

Yes	1
No	2

(f) Is the rent more than you feel you can afford?

Yes	1
No	2

(g) Would you rather be living in another area of the city?

Yes	1
No	2

Q. 6 Do you plan to move from this dwelling within the next year or so?

IF TOWN, ROW, ATTACHED OR DETACHED HOUSE, I.E. IF NOT IN APARTMENT BUILDING, GO TO Q. 9

Yes	1
No	2
Don't know	9

Q. 7 Have you ever rented a suite or an apartment in a house?

Yes	1
No	2

IF "YES", ASK: Was this a private self-contained apartment with a bath and kitchen or just a room?

Self-contained	1
Room(s)	2

Q. 8 Have you ever rented an entire house, either by yourself or by sharing the rent with other individuals outside your immediate family?

Yes, by self	1
Yes, with others	2
No	3

Q.9 What I would like to do now is ask you about some characteristics or features that could be used to describe an apartment in a house. I will read out a characteristic and I would like you to tell me how important this would be to you if you were deciding on whether or not to rent an apartment in a house. Please use the scale I have on this card. (HAND IMPORTANCE SCALE TO RESPONDENT)

	1	2	3	4	5	6	7	8
not at all important		of very little importance	of little importance	fairly important	very important	very great importance	absolutely crucial	don't know
(a) How important would the location be, for example, if the house were located in the suburbs or more centrally, for example?	1	2	3	4	5	6	7	8
(b) the size of the apartment; whether it's a 1 or 2 bedroom, for example?	1	2	3	4	5	6	7	8
(c) the monthly rental costs?	1	2	3	4	5	6	7	8
(d) whether or not parking were available?	1	2	3	4	5	6	7	8
(e) whether or not you have a private, separate entry?	1	2	3	4	5	6	7	8
(f) whether or not the apartment had its own private bathroom and kitchen?	1	2	3	4	5	6	7	8
(g) whether the apartment was located in the basement, on the main floor or on an upper floor?	1	2	3	4	5	6	7	8
(h) whether or not you could have access to the yard behind the house?	1	2	3	4	5	6	7	8
(i) whether the landlord lived in the house or lived elsewhere	1	2	3	4	5	6	7	8

RETRIEVE CARD

Q. 10 I have here a number of cards which describe different types of accommodation which could be available if one were looking to rent an apartment in a house. These descriptions vary in terms of size of apartment, rent, etc. Assume that the things not described about the apartment are to your liking. What I would like you to do is carefully read over the descriptions on each card and put the cards in order of your preference if you were looking for an apartment in a house.

There are only 9 cards, but you may find it easiest to order them if you put them in two piles as you go through them. In one pile, would go cards with descriptions of apartments you like and into the other pile, descriptions of apartments you don't like. Then go through each pile and order the cards with the most preferred on the top and the next most preferred second down and so on, with the least preferred at the bottom of each pile. Once you finish, put the pile you like on top of the other one.

(SHUFFLE CARDS BEFORE GIVING TO RESPONDENT, RECORD NUMBER ON BACK OF CARD FROM TOP TO BOTTOM AFTER RESPONDENT FINISHES.)

<u>BLUE CARDS</u>		<u>SET 1</u>	<u>CARD NUMBER</u>
		TOP CARD	41
		2ND CARD	42
		3RD CARD	43
		4TH CARD	44
		5TH CARD	45
		6TH CARD	46
		7TH CARD	47
		8TH CARD	48
	(LEAST PREFERRED)	BOTTOM CARD	49

(CHECK WITH RESPONDENT THAT MOST PREFERRED IS ON TOP AND LEAST PREFERRED IS ON BOTTOM.)

Q.11 There are two main ways in which rental accommodation could be provided in a house. One could just rent a room in a house or one could rent a private, self-contained apartment in a house. Do you see any advantages to yourself of renting just a room in a house as opposed to renting an apartment in a house?

YES ☐ > What would these be? _____

20	21
----	----

NO ☐ > Why do you say that? _____

22	23
----	----

24	25
----	----

Q.12 (a) Do you want to buy a home within the next couple of years? (IF ASK, SAY 2-3 YEARS)

GO TO Q.13

Yes	1
No	2
Don't know	9

26

(b) Do you think you will be able to do so?

GO TO Q.13

Yes	1
No	2
Depends/Maybe	3
Don't know	9

27

(c) IF NO: Why not? IF DEPENDS/MAYBE, ASK: What does it depend on?

28	29
----	----

30	31
----	----

(d) IF FINANCIAL PROBLEM GIVEN IN (c) (e.g. don't have enough for down payment, carrying cost-principal, interest, etc. are too high), ASK:

If doing any of the following would help you afford to buy a home within the next couple of years, would you consider...

Yes No IF NO, Why not?

(1) buying a house with a private, self-contained apartment which you could rent out

1 2 34

32	33
----	----

34	35
----	----

(2) buying a house and renting out a room

1 2 3

36	37
----	----

38	39
----	----

(3) buying a house and creating in it a private, self-contained apartment which you would rent out

1 2 34

40	41
----	----

42	43
----	----

(4) buying a house with another person or couple

1 2 34

44	45
----	----

46	47
----	----

GO TO Q.15

Q.13 If you were to buy a house, would you ever consider renting out a room?

IF DEPENDS, ASK: What would it depend on?

Yes	1
No	2
Depends	3
Don't know	9

84

85	86
----	----

Q.14 If you were to buy a house, would you ever consider creating a private, self-contained apartment and renting it out?

IF DEPENDS, ASK: What would it depend on?

Yes	1
No	2
Depends	3
Don't know	9

87

88	89
----	----

Q.15 If you could afford to buy a larger and more expensive house by renting out part of it, would you be more likely to consider doing this than buying a smaller, less expensive house?

Yes	1
No	2
Don't know	9

90

Q.16 I have here a number of cards which describe different alternatives which could be available for someone buying a house. The descriptions of the houses vary in terms of price, size, type and location. Could you please read over these descriptions and place the cards in the order of your preference, just like you did before. Assume that the things not described about the house are to your liking.

YELLOW CARDS

(MOST PREFERRED)

SET 2

CARD NO.

TOP CARD	☐	91
2ND CARD	☐	92
3RD CARD	☐	93
4TH CARD	☐	94
5TH CARD	☐	95
6TH CARD	☐	96
7TH CARD	☐	97
(LEAST PREFERRED) BOTTOM CARD	☐	98

(CHECK WITH RESPONDENT THAT MOST PREFERRED IS ON TOP AND LEAST PREFERRED IS ON BOTTOM.)

These last few questions are about you and others in your house. They are completely confidential.

Q. 17 (a) How many people, including yourself, live in your house? (IF REFUSE, CODE 9)

Persons	
---------	--

99

IF 2 OR MORE, ASK:

(b) Do you have any dependent children living with you?

Yes	1
No	2
Refuse	9

100

IF "YES", ASK:

(c) How many dependent children live with you? (WRITE IN)
(IF REFUSE, CODE 9)

--

101

Q. 18 DO NOT ASK: SEX OF RESPONDENT.

Male	1
Female	2

102

Q. 19 INTERVIEWED ORIGINAL RESPONDENT:

Yes	1
No	2

103

THANK YOU VERY MUCH. THOSE ARE ALL THE QUESTIONS I HAVE. DO YOU HAVE ANY COMMENTS YOU WOULD LIKE TO MAKE?

INTERVIEWER NAME: _____

INTERVIEWER NUMBER

--	--

104 105

APPENDIX D

D.1 Summary of Kingston Questionnaire by Renter Type

APPENDIX D:

D.1 SUMMARY OF KINGSTON QUESTIONNAIRE

BY RENTER TYPE

		Renter Type				
		<u>Type</u> <u>One</u> (n=25)	<u>Type</u> <u>Two</u> (n=26)	<u>Type</u> <u>Three</u> (n=15)	<u>Type</u> <u>Four</u> (n=34)	<u>Total</u> (n=100)
Q. 1	Length of residency:					
	1. less than 2 years	68%	58%	47%	59%	59%
	2. 2 years	16	15	13	15	15
	3. 2 to 5 years	12	15	20	11	14
	4. 5 to 7 years	4	12	20	15	12
Q. 2 (a)	Building type:					
	1. apt./no elevator	24%	31%	13%	35%	28%
	2. apt./elevator	28	15	40	35	29
	3. attached house	4	8	13	9	8
	4. apt. in attached house	0	12	7	9	7
	5. detached house	12	8	20	6	10
	6. apt. in detached house	32	23	0	3	15
	7. other	0	4	7	3	3
(b)	<u>IF IN HOUSE:</u> Does landlord live in same house:	(n=15)	(n=17)	(n=8)	(n=14)	(n=54)
	1. yes	7%	24%	13%	21%	17%
	2. no	93	76	87	79	83
Q. 3	Number of bedrooms:					
	1. bachelor	8%	4%	7%	0%	4%
	2. one bedroom	28	19	13	18	20
	3. two bedrooms	48	39	47	56	48
	4. three+ bedrooms	16	38	33	26	28
Q. 4	Share bath or kitchen:					
	1. yes	12%	4%	7%	12%	9%
	2. no	88	96	93	88	91

	Type One	Type Two	Type Three	Type Four	Total
Q. 5 Previous tenure:					
1. rented	88%	62%	67%	71%	72%
2. owned	8	23	13	18	16
3. other	4	15	20	12	12
Q. 6 (a) Satisfaction with unit:					
1. very satisfied	36%	42%	60%	56%	48%
2. somewhat satisfied	56	50	27	41	45
3. dissatisfied	8	8	13	8	7
	(n=2)	(n=1)	(n=2)	(n=1)	(n=6)
(b) <u>IF DISSATISFIED:</u> Why?					
1. rent too high	50%	0%	50%	0%	33%
2. poor facilities	50	0	0	100	33
3. poor storage	0	100	0	100	33
4. poor location	0	0	50	0	17
(c) Present space adequate:					
1. yes	64%	73%	80%	85%	76%
2. no	36	27	20	15	24
(d) Number of vehicles in household:					
1. none	28%	23%	13%	35%	27%
2. one	64	65	73	41	58
3. two	8	0	13	24	12
4. three +	0	12	0	0	3
(e) Parking available:					
1. yes	88%	96%	93%	97%	94%
2. no	12	4	7	3	6
(f) Rent affordable:					
1. yes	80%	77%	67%	85%	79%
2. no	20	23	33	15	21
(g) Prefer other location:					
1. yes	16%	35%	13%	15%	20%
2. no	84	65	87	85	80

	Type One	Type Two	Type Three	Type Four	Total
Q. 7 Plan to move within year or so:					
1. yes	40%	58%	27%	38%	42%
2. don't know	16	8	7	3	8
<u>IF NOT LIVING IN HOUSE NOW:</u>	(n=14)	(n=16)	(n=11)	(n=27)	(n=68)
Q. 8 (a) Ever rented in house before:					
1. yes	36%	19%	18%	37%	29%
2. no	64	81	82	63	71
	(n=5)	(n=3)	(n=2)	(n=9)	(n=19)
(b) <u>IF YES:</u> 1. self-contained apt.	40%	33%	0%	44%	37%
2. just room	60	67	100	56	63
Q. 9 Ever rented entire house:	(n=14)	(n=16)	(n=11)	(n=26)	(n=67)
1. yes, by self	29%	19%	9%	12%	16%
2. yes, with others	14	6	9	15	12
3. no	57	75	82	74	72
Q. 10 (a) Preference in rental unit:	(n=25)	(n=26)	(n=15)	(n=34)	(n=100)
1. prefer house	60%	85%	40%	15%	48%
2. prefer apartment building	40	12	47	85	49
3. don't know	0	4	13	0	3
(b) Advantages of renting in house:					
1. yes	100%	100%	0%	0%	51%
<u>IF YES:</u>					
1. more privacy	59%	60%	-	-	-
2. more home-like	41	28	-	-	-
3. access to a yard	27	36	-	-	-
4. more sociable	27	12	-	-	-
5. access at grade	9	8	-	-	-
6. pets allowed	12	0	-	-	-
7. quieter	0	15	-	-	-

	Type One	Type Two	Type Three	Type Four	Total
Q. 10 (c) Disadvantages of renting in house:					
1. yes	100%	0%	0%	100%	73%
IF YES: 1. poorer maintenance	36%	-	-	18%	-
2. lack of facilities	40	-	-	18	-
3. more expensive	15	-	-	12	-
4. less privacy	15	-	-	39	-
5. more noise	8	-	-	-	-
6. lack of security	4	-	-	9	-
Q. 11 Preference ranking in unit type: (average rank)					
1. apartment in a building	2.3	2.6	1.3	1.4	1.9
2. apartment in owner-occupied house	2.8	2.6	2.7	2.9	2.7
3. apartment in totally converted house	1.8	2.0	2.2	2.4	2.1
4. sharing house with friends	3.0	2.8	3.4	3.1	3.0
Q. 12 Very important factors associated with renting an apartment in a house:					
1. suburban or city location	60%	65%	80%	66%	66%
2. number of bedrooms	56	69	80	50	61
3. monthly rent	80	85	73	81	81
4. availability of parking	52	62	40	44	50
5. private separate entry	40	50	60	63	53
6. private bath and kitchen	92	96	93	97	95
7. floor of the house	52	50	60	66	57
8. access to back yard	28	35	40	6	25
9. absentee landlord	20	15	27	25	21
Q. 13 Advantages in renting just a room in a house:					
1. yes	22%	20%	17%	23%	21%
2. no	78	80	83	77	79
	(n=5)	(n=5)	(n=2)	(n=7)	(n=19)
IF YES: What are advantages:					
1. less costly	80%	80%	100%	71%	79%
IF NO: Why not:	(n=18)	(n=20)	(n=10)	(n=24)	(n=72)
1. lack of privacy	28%	60%	20%	67%	49%
2. lack of space	56	30	80	33	44
3. shared facilities	11	10	0	13	10
4. types of people	17	0	0	0	4

	Type One (n=25)	Type Two (n=26)	Type Three (n=14)	Type Four (n=33)	Total (n=98)
Q. 14 Attitudes toward renting:					
1. pleased about renting and will continue	36%	31%	79%	70%	52%
2. unhappy about renting and will buy within next three years	20	42	-	12	20
3. unhappy about renting but must continue to rent	44	27	21	18	28
Q. 15 (a) Purchase intentions within next few years:	(n=25)	(n=26)	(n=15)	(n=34)	(n=100)
1. yes	64%	73%	27%	32%	50%
2. no	30	27	73	65	49
3. don't know	0	0	0	3	1
<u>IF YES OR DON'T KNOW:</u>					
(b) Location preference:	(n=17)	(n=19)	(n=3)	(n=12)	(n=51)
1. suburbs	41%	53%	33%	58%	49%
2. city	59	37	33	42	45
3. don't know	0	0	33	0	6
(c) Age preference:					
1. new	29%	47%	50%	50%	42%
2. resale	53	47	25	50	48
3. don't know	18	5	25	0	10
(d) Will be able to buy:					
1. yes	53%	63%	0%	25%	46%
2. no	35	32	75	58	42
3. depends	6	0	25	17	8
4. don't know	6	5	0	0	4
	(n=7)	(n=7)	(n=4)	(n=9)	(n=27)
(e) Reason for no or depends:					
1. financial	100%	100%	100%	67%	89%
<u>IF FINANCIAL REASON GIVEN:</u>					
(f) Would do any of the following if affordability helped:	(n=7)	(n=7)	(n=4)	(n=6)	(n=24)
(i) buy house with private apt.:					
1. yes	57%	57%	50%	17%	45%
2. no, lack of privacy	29	42	50	33	38
3. no, too many problems	14	0		50	17

	Type One	Type Two	Type Three	Type Four	Total
Q. 15 (f) (ii) buy house and rent room:					
1. yes	43%	14%	50%	17%	29%
2. no, lack of privacy	43	86	50	67	63
(iii) buy house and convert space into apartment:					
1. yes	43%	43%	50%	33%	42%
2. no, lack of privacy	29	43	50	50	42
3. no, too expensive	29	14	0	0	13
(iv) buy house with another couple/person:					
1. yes	43%	29%	0%	0%	17%
2. no, lack of privacy	43	43	75	83	58
3. no, too many problems	14	43	0	33	25

IF NO FINANCIAL PROBLEMS OR NO IMMEDIATE
INTENTIONS TO BUY:

(n=18) (n=21) (n=12) (n=27) (n=78)

Q. 16 (a) If were to buy, would ever consider renting out a room:					
1. yes	50%	19%	25%	22%	28%
2. no	39	76	58	70	63
3. depends	11	5	8	4	6
4. don't know	0	0	8	4	3

(n=2) (n=1) (n=1) (n=1) (n=5)

IF DEPENDS:

1. on type of renter	50%	100%	100%	100%	80%
2. financial need	50	-	-	-	20

(b) If were to buy, would ever consider converting space into apartment:	(n=18)	(n=21)	(n=12)	(n=27)	(n=78)
1. yes	28%	43%	17%	22%	28%
2. no	50	52	50	59	54
3. depends	22	5	25	11	14
4. don't know	0	0	8	7	4

(n=4) (n=1) (n=3) (n=3) (n=11)

IF DEPENDS:

1. on type of renter	-	-	-	33%	9%
2. availability of space	100	-	67	33	64
3. if legal	-	100	-	33	18
4. financial need	-	-	33	-	9

	Type One	Type Two	Type Three	Type Four	Total
Q. 18 Would buy larger house with apartment rather than smaller house:	(n=25)	(n=26)	(n=15)	(n=34)	(n=100)
1. yes	20%	15%	27%	18%	19%
2. no	64	85	60	71	71
3. don't know	16	0	13	12	10
Q. 19 (a) Household size:					
1. one person	28%	24%	39%	28%	28%
2. two persons	32	36	23	47	37
3. three + persons	50	40	38	25	35
(b) Children in house:					
1. yes	24%	35%	33%	12%	24%
	(n=6)	(n=9)	(n=5)	(n=4)	(n=24)
(c) <u>IF YES:</u>					
Average number of children	1.3	1.4	1.4	1.5	1.4
Q. 20 Age of head of household:	(n=25)	(n=26)	(n=13)	(n=33)	(n=97)
1. under 24 years	28%	42%	8%	27%	29%
2. 24 to 29	40	15	31	9	22
3. 30 to 34	12	8	15	9	10
4. 35 to 39	4	15	0	12	9
5. 40 to 44	4	8	0	3	4
6. 45 to 49	4	0	0	0	1
7. 50 to 54	-	4	15	3	4
8. 55 to 59	0	4	0	6	3
9. 60 to 64	0	0	8	3	2
10. 65 and over	8	9	23	27	16
Q. 21 Marital status:					
1. single	56%	50%	39%	39%	46%
2. married	36	42	46	39	40
3. other	8	8	15	21	13

	Type One	Type Two	Type Three	Type Four	Total
Q. 22 (a) Monthly rent:					
1. under \$250	28%	16%	15%	19%	20%
2. \$250 to \$350	36	36	31	42	37
3. \$350 to \$450	12	36	31	16	22
4. over \$450	18	12	23	23	20
(b) Pay entire rent:					
1. by self/spouse	64%	69%	93%	82%	76%
2. with other	36	31	7	18	24
	(n=21)	(n=24)	(n=8)	(n=28)	(n=81)
Q. 23 (a) Household income:					
1. under \$15,000	43%	54%	13%	46%	44%
2. \$15,000 to \$30,000	48	33	63	29	38
3. \$30,000 to \$45,000	10	4	25	21	14
4. over \$45,000	0	8	0	4	4
(b) More than one income:					
1. yes	35%	68%	46%	65%	56%
Q. 24 Respondent's sex:					
1. male	56%	50%	36%	50%	50%
2. female	44	50	64	50	50

SEPTEMBER 13-19, 1982

KINGSTON - 73 -

RENTER/OWNER STUDY

SCREENING PAGE

TELEPHONE NUMBER

INTRODUCTION: Hello, may I speak to _____?
(TRY FOR 50/50 MALE/FEMALE RESPONSE. IF NOT AT HOME
OR WRONG NUMBER, INTERVIEW ANY ADULT.)

Hello, my name is (YOUR NAME). We're doing
a study for the Ontario Ministry of Municipal Affairs and
Housing and I wonder if you would please take a few minutes
to give me your opinion on some important questions.

Q. 1 First of all could you tell me, do you rent or own your home?

RENT ☐ ASK:

Q. 2 Do you pay rent to the government or
other non-profit organization?

No ☐ CONTINUE WITH Q. 3

Yes ☐ TERMINATE

(IF OLD AGE HOME, NURSING HOME, ETC., TERMINATE)

Q. 3 Are you receiving government assistance
in meeting your rental payments?

No ☐ CONTINUE, GO TO RENTER QUESTIONNAIRE (PINK)

Yes ☐ TERMINATE

OWN ☐ ASK:

Q. 4 Do you live in a condominium or co-op?

No ☐ CONTINUE WITH Q. 5

Yes ☐ TERMINATE

Q. 5 Are there any self-contained suites or
apartments in your house?

No ☐ CONTINUE WITH Q. 6

Yes ☐ TERMINATE

Q. 6 Do you share your house with any unrelated
individuals or another family?

No ☐ CONTINUE WITH Q. 7

Yes ☐ TERMINATE

Q. 7 Are you a landlord or do you own another house which
you rent out?

No ☐ CONTINUE, GO TO OWNER QUESTIONNAIRE (BUFF)

Yes ☐ TERMINATE

NOTE: IF RESPONDENT SAYS HE OWNS DUPLEX AND RENTS OUT ONE OR BOTH UNITS,
TERMINATE.

CALL-BACK DATA

Call #	Date	Time	Inter- viewer #	Result of Call	Comments	Call #	Date	Time	Inter- viewer #	Result of Call	Comments
1.						5.					
2.						6.					
3.						7.					
4.						8.					

Interview Results: (INSERT CODE ABOVE)

Interview completed 1
Not at home, not available
(SPECIFY CALL BACK DATE & TIME) 2
Language barrier (SPECIFY LANGUAGE) . . . 3
Incomplete interview 4

Refusal (SPECIFY REASON) 5
Not eligible (business, household
outside Metro, etc.) 6
Number not in service, changed number. . . 7
On answer, line busy 8

November 9-11, 1982

KINGSTON - 74 -

MARKET STUDY - ROMAN/AMO

ERG

FOR EACH COMPLETED INTERVIEW, RECORD: TELEPHONE NUMBER _____

4-5

RENTER QUESTIONNAIREQ.1 How long have you been living at your present address?
(RECORD YEARS, MONTHS IF LESS THAN ONE YEAR)Years

--	--

 4.5Months

--	--

 6.2

Q.2 (a) What kind of a building are you living in at the present time? Is it an...

(a) apartment building without an elevator	1
(b) apartment building with an elevator	2
(c) entire town, row or attached house	3
(d) apartment in town, row or attached house	4
(e) entire detached house	5
(f) apartment in detached house	6
(g) Other _____	7

8

IF APARTMENT IN TOWN, ROW, ATTACHED, OR DETACHED HOUSE (4 or 6 above), ASK:

(b) Does your landlord live in the same house as you?

Yes	1
No	2
No answer, refuse	9

9

Q.3 How many bedrooms are in your dwelling?

RECORD

Bedrooms

--

10

Combined bed/sitting-room, bachelor unit
(CODE 1)

--

11

Q.4 Do you share kitchen or bathroom facilities with other households?

Yes	1
No	2

12

Q.5 Did you rent before you moved here?

IF "NO," PROBE OWNERSHIP OR OTHER.

Yes, rented	1
No, owned	2
No, other	3

13

Q.6 (a) How satisfied are you with your present living accommodations? Would you say that you are:

GO TO (a) —

ASK (b) —

Very Satisfied	1
Somewhat Satisfied, Or	2
Dissatisfied	3

47

(b) IF DISSATISFIED, ASK: Why do you say that?

15	16
17	18

(c) Do you feel you have enough space in your present unit?

Yes	1
No	2

49

(d) How many motor vehicles do you have in your household?

Vehicles	
----------	--

40

(e) Is parking available to your household (whether or not you use it)?

Yes	1
No	2

51

(f) Is the rent more than you feel you can afford?

Yes	1
No	2

52

(g) Would you rather be living in another area of the city?

Yes	1
No	2

53

Q.7 Do you plan to move from this dwelling within the next year or so?

IF TOWN, ROW, ATTACHED OR DETACHED HOUSE,
i.e. IF NOT IN APARTMENT BUILDING, GO TO Q. 10

Yes	1
No	2
Don't know	3

54

Q.8 (a) Have you ever rented a room, suite, or an apartment in a house?

Yes	1
No	2

55

(b) IF "YES", ASK: Was this a private self-contained apartment with a bath and kitchen or just a room?

Self-contained	1
Room(s)	2

56

Q.9 Have you ever rented an entire house, either by yourself or by sharing the rent with other individuals outside your immediate family?

Yes, by self	1
Yes, with others	2
No	3

57

Q.10 (a) Supposing for the moment that you are looking for a new place to rent. If you had a choice between equal sized apartments in a house or in an apartment building, both in an area you liked, which would you prefer to live in?

ROTATE

Prefer House	1
Prefer Apartment Building	2
Don't know, Depends	9

38

(b) Do you see any major advantages in renting an apartment in a house as opposed to renting in an apartment building?

Yes	1
No	2

29

IF YES, ASK: What would those be?

<u>CIRCLE</u>	Have a yard	1	30
<u>ALL THAT APPLY</u>	More home-like	1	31
<u>DO</u>	More privacy	1	32
<u>NOT</u>	No elevator	1	33
<u>READ</u>	More sociable environment	1	34
	Other _____	☐	35
	_____	☐	36

(c) Do you see any major disadvantages of renting an apartment in a house as opposed to renting in an apartment building?

Yes	1
No	2

37

IF YES, ASK: What would those be?

<u>CIRCLE</u>	Less privacy	1	38
<u>ALL THAT APPLY</u>	Less maintenance	1	39
<u>DO</u>	Landlord problems	1	40
<u>NOT</u>	More noise	1	41
<u>READ</u>	More expensive	1	42
	Other _____	☐	43
	_____	☐	44

Q.11 (i) In terms of your own preference for rental accommodation, which would be your first choice of the following four alternatives assuming rental costs and location were comparable?

CHOICE

(IF REFUSE 3 CHOICES, CODE 9 AT POINT OF REFUSAL)

READ AND REPEAT AS NECESSARY

1. an apartment in an apartment building		45
2. an apartment in an owner-occupied house		46
3. an apartment in a house that was totally changed into apartments		47
4. sharing the rent for an entire house with a number of friends		47

(ii) What would be your second choice? (READ ONLY REMAINING 3)

(iii) What would be your third choice? (READ ONLY REMAINING 2 AND RECORD LAST CHOICE AS "4")

Q.12 What I would like to do now is ask you about some characteristics or features that could be used to describe an apartment in a house. I will read out a characteristic, and I would like you to tell me if it would be very important, moderately important, or not at all important, if you were deciding whether or not to rent an apartment in a house.

	<u>Very</u> <u>Important</u>	<u>Moderately</u> <u>Important</u>	<u>Not at all</u> <u>Important</u>	<u>Don't</u> <u>know,</u> <u>Refuse</u>
(a) How important would the location be, for example, if the house were located in the suburbs or more centrally?	1	2	3	9 49
(b) the size of the apartment; whether it's a 1 or 2 bedroom, for example?	1	2	3	9 50
(c) the monthly rental costs?	1	2	3	9 51
(d) whether or not parking were available?	1	2	3	9 52
(e) whether or not you have a private, separate entry?	1	2	3	9 53
(f) whether or not the apartment had its own private bathroom and kitchen?	1	2	3	9 54
(g) whether the apartment was located in the basement, on the main floor or on an upper floor?	1	2	3	9 55
(h) whether or not you could have access to the yard behind the house?	1	2	3	9 56
(i) whether the landlord lived in the house or lived elsewhere	1	2	3	9 57

Q.13 There are two main ways in which rental accommodation could be provided in a house. One could just rent a room in a house or one could rent a private, self-contained apartment in a house. Do you see any advantages to yourself of renting just a room in a house as opposed to renting an apartment in a house?

YES ☐ > What would these be? _____

NO ☐ > Why do you say that? _____

Q.14 Which of the following statements do you feel best describe your own situation with regard to renting:

(a) I am pleased about renting and will continue to rent	1
(b) I am unhappy about renting and anticipate purchasing my own home in the next three years	2
(c) I am unhappy about renting but must continue to rent	3

Q.15 (a) Do you want to buy a home within the next couple of years? (IF ASK, SAY 2-3 YEARS)

GO TO Q.16 ←

Yes	1
No	2
Don't know	9

67

(b) Would you rather buy a home in the suburbs or a home in an older area of the city?

Suburbs	1
City	2
Don't know	9

68

(c) Would you rather buy a brand new home or an older home?

New	1
Old	2
Don't know	9

69

(d) Do you think you will be able to buy a home?

GO TO Q.16 ←

Yes	1
No	2
Depends/Maybe	3
Don't know	9

70

(e) IF NO: Why not? IF DEPENDS/MAYBE, DON'T KNOW, ASK: What does it depend on?

71	72
73	74

(f) IF FINANCIAL PROBLEM GIVEN IN (e) (e.g. don't have enough for down payment, carrying cost-principal, interest, etc. are too high), ASK:

If doing any of the following would help you afford to buy a home within the next couple of years, would you consider...

Yes No IF NO, Why not?

(1) buying a house with a private, self-contained apartment which you could rent out

1 2 75

77	78
79	80

(2) buying a house and renting out a room

1 2 76

81	82
83	84
85	86

(3) buying a house and creating in it a private, self-contained apartment which you would rent out.

1 2 77

87	88
89	90

(4) buying a house with another person or couple

1 2 78

91	92
93	94

GO TO Q.18

Q.16 (a) If you were to buy a house, would you ever consider renting out a room?

Yes	1
No	2
Depends	3
Don't know	9

95

96 97

(b) IF DEPENDS, ASK: What would it depend on?

Q.17 (a) If you were to buy a house, would you ever consider creating a private, self-contained apartment and renting it out?

Yes	1
No	2
Depends	3
Don't know	9

98

99 100

(b) IF DEPENDS, ASK: What would it depend on?

Q.18 If you could afford to buy a larger and more expensive house by renting out part of it, would you be more likely to consider doing this than buying a smaller, less expensive house?

Yes	1
No	2
Don't know	9

101

These last few questions are about you and others in your household. They are completely confidential.

Q.19 (a) How many people, including yourself, live in your household? (IF REFUSE, CODE 9)

Persons	
---------	--

102

IF 2 OR MORE, ASK:

(b) Do you have any dependent children living with you?

Yes	1
No	2
Refuse	9

103

IF "YES", ASK:

(c) How many dependent children live with you? (WRITE IN)
(IF REFUSE, CODE 9)

104

Q.20 What is the age of the head of your household? (IF NO HEAD, ASK RESPONDENT'S AGE)

Years

--	--

105 106

Q.21 And what is your marital status?

DO

NOT

READ

Single	1
Married	2
Other (Widowed, divorced, separated)	3
Refuse	9

107

Q.22 (a) How much is the monthly rent for your present home? (IF REFUSE, CODE 9999).

DOLLARS: \$

--	--	--	--

108 109 110 111

(b) Are you paying the entire amount by yourself?

IF HUSBAND AND WIFE, CODE "Yes" - 1.

Yes	1
No	2
Refuse	9

112

Q.23 (a) Was the total income before tax of all the members of your household over or under \$30,000 last year?

Over \$30,000	1	
Under \$30,000	2	
Refuse, don't know	9	113

IF OVER \$30,000, ASK: Was it over \$45,000?

Over \$45,000	1	
Under \$45,000	2	
Refuse, don't know	9	114

IF UNDER \$30,000, ASK: Was it over \$15,000?

Over \$15,000	1	
Under \$15,000	2	
Refuse, don't know	9	115

(b) Does this include income from more than one person?

Yes	1	
No	2	
Refuse	9	116

Q.24 Could you tell me your postal code?

CODE

--	--	--	--	--	--

117 118 119 120 121 122

IF NO CODE, ASK: Could you then tell me the nearest major intersection to where you live?

INTERSECTION: _____
AND _____

--	--

123 124

Q.25 DO NOT ASK: Sex of respondent.

Male	1	
Female	2	125

Thank you very much. Those are all the questions I have. Do you have any comments you would like to make?

Could I please get your name in order that this interview can be verified by my supervisor?

NAME: _____

INTERVIEWER NAME: _____

NUMBER

--	--

126 127

APPENDIX E
METHODOLOGY

Footnote

Study Methodology includes survey of "the attitudes and willingness of Homeowners to undertake Conversions" Part 3.3.2, Vol. 5

APPENDIX E

METHODOLOGY

Introduction

During the fall of 1982, Environics Research Group Limited conducted a two-stage study of the housing market, in relation to conversion and infill in the Cities of Toronto and North York, and a one-stage study in the City of Kingston. Both telephone and personal interviewing techniques were used. The different stages of the study are described below under Questionnaire Design.

Questionnaire Design

There were several questionnaires used in the implementation of this study; all were designed in close consultation with members of the study team.

- 1) General Screening Questionnaire: This questionnaire determined eligibility of owners and renters to participate in the study. Home-owners were required to live in houses which were not condominiums or co-ops. They were not to be landlords or share their accommodation with unrelated individuals or have self-contained apartments within their house. Renters were required to be renting from a private individual or company and not receiving government assistance to meet rental payments.
- 2) Toronto/North York Owner Screening Questionnaire: This questionnaire was designed to determine potential suppliers of converted dwellings.
- 3) Toronto/North York Renter Screening Questionnaire: This questionnaire was designed to determine potential demand for a rental apartment or room within a house.

4) Toronto/North York Owner Follow-Up Questionnaire: This questionnaire was designed based on data from the screening questionnaire, and followed up on identified potential converters asking specific questions related to creating private, self-contained apartments in their homes or renting out rooms.

5) Toronto/North York Renter Follow-Up Questionnaire: This questionnaire was designed based on data from the screening questionnaire and followed up on identified potential renters of apartments or rooms in homes and also asked questions probing purchase of homes with self-contained apartments or the possibility of creating them within a home. It also asked questions concerning renting out a room within a home.

6) Kingston Owner Questionnaire: This questionnaire was a combination of the screening and follow-up questionnaires of the Toronto/North York Study.

7) Kingston Renter Questionnaire: This questionnaire was a combination of the screening and follow-up questionnaires of the Toronto/North York Study.

Each phase of the study was pre-tested on 25 respondents and questionnaires were revised based on pre-test results, interviewer suggestions and study team requests. Questionnaires varied in length from 10 to 30 minutes.

Sample Selection

The original sampling was designed in order to obtain 1,000 screening interviews in Toronto and North York, of 500 owners and 500 renters, with a follow-up of 150 owners and 150 renters.

The Kingston sampling was designed to obtain 200 interviews, of 100 owners and 100 renters.

Households were randomly selected from the most recent telephone directories and an attempt was made to achieve equal numbers of male and female adult owners and renters.

A total of 2,596 numbers were selected in Toronto and North York to achieve 1,000 interviews. Of the 512 owners interviewed in the screen, 258 were identified for follow-up. Of the 504 renters interviewed, 260 were identified for follow-up.

Telephone and Personal Interviewing

The screening phase of the Toronto/North York Owner/Renter Market Study was conducted by experienced interviewers at the ERG telephone workshop September 13-20, 1982.

The Toronto/North York Owner Telephone Follow-Up was also conducted at the ERG telephone workshop October 26-28, 1982.

The Toronto/North York Renter Personal In-Home Follow-Up was conducted November 1-15, 1982.

The Kingston Owner/Renter Market Study was conducted by telephone November 9-16, 1982 at the offices of the Ministry of Municipal Affairs and Housing using inter-city telephone lines.

Field supervisors were present at all times to ensure accurate interviewing and recording of responses. Periodic monitoring of calls and interviews allowed for quality control. Five calls were made to a household before classifying it as a "no answer."

Cleaning, Coding, and Keypunching

All questionnaires were checked for accuracy and consistency. Experienced research assistants coded open-ended responses to all questionnaires which were then checked by supervisors before being keypunched (with 100% verification) and analysed.

Completion Results

a) Toronto/North York Telephone Owner/Renter Screen

A total of 1,016 interviews were completed, with 512 owners and 504 renters.

The table below presents the detailed results.

The effective response rate for the survey is 56% (the number of completed interviews, 1016, divided by the total sample, 2596, minus the number of non-valid/non-residential numbers, 21, the numbers not in service/changed numbers, 213, interviews terminated as unqualified, 342, and interviews terminated as sex or owner/renter quota filled, 195.

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	2,596	100
Non-valid/Non-residential	21	1
Numbers not in service/changed numbers	213	8
Interviews terminated as unqualified	342	13
Interviews terminated as sex and owner/renter quota filled	195	8
Sub-total	771	30
New base	1,825	100
No answer/line busy/respondent not available	251	14
Language barrier	147	8
Incomplete interview	16	1
Refusals	395	22
Sub-total	809	44
Net completions (1,825 - 809)	1,016	(55%)
Owners	(512)	
Renters	(504)	

b) Toronto/North York Telephone Owner Follow-Up

A total of 194 interviews were completed.

The table below presents the detailed results.

The effective response rate for the survey is 77% (the number of completed interviews, 194, divided by the total sample, 258, minus the numbers not in service/changed numbers, 5).

<u>Completion Results</u>		
	<u>N</u>	<u>%</u>
Number of calls	258	100
Numbers not in service/changed numbers	5	2
New base	253	100
No answer/line busy/respondent not available	15	6
Incomplete interview	12	5
Refusals	32	13
Sub-total	59	
Net completions (253 - 59)	194	(77%)

c) Toronto/North York Renters Personal Interview Follow-Up

A total of 156 interviews were completed.

The table below presents the detailed results.

The effective response rate for the survey is 63% (the number of completed interviews, 156, divided by the total sample, 260, minus the numbers not in service/changed numbers, 13).

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	260	100
Numbers not in service/changed numbers	13	5
New base	247	100
No answer/line busy/respondent not available	39	16
Refusals	52	21
Sub-total	91	37
Net completions	156	(63%)

d) Kingston Telephone Owner/Renter Survey

A total of 202 interviews were completed, with 102 owners and 100 renters.

The table below presents the detailed results.

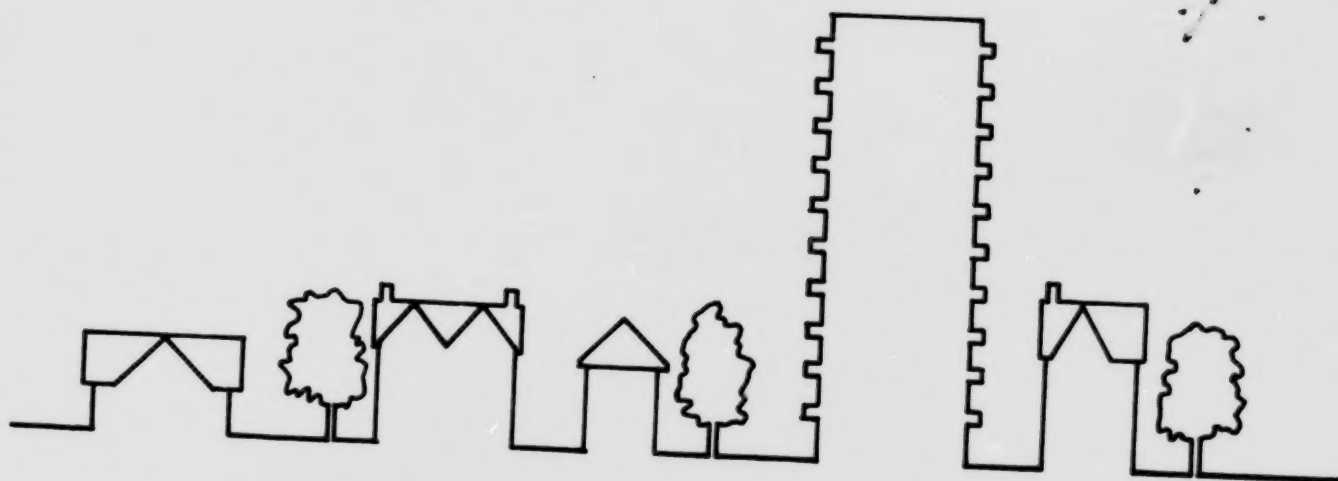
The effective response rate for the survey is 57% (the number of completed interviews, 202, divided by the total sample, 521, minus the number of non-valid/non-residential numbers, 3, the numbers not in service/changed numbers, 28, interviews terminated as unqualified, 75, and interviews terminated as sex or owner/renter quota filled, 59.

Completion Results

	<u>N</u>	<u>%</u>
Number of calls	521	100
Non-valid/non-residential	3	1
Numbers not in service/changed numbers	28	5
Interviews terminated as unqualified	75	14
Interviews terminated as sex and owner quota filled	59	11
Sub-total	165	32
New base	356	100
No answer/line busy/respondent not available	80	22
Language barrier	7	2
Incomplete interview	11	3
Refusals	56	16
Sub-total	154	43
Net completions	202	(57%)
Owners	(102)	
Renters	(100)	

Number/ Numéro

5



STUDY OF RESIDENTIAL INTENSIFICATION AND RENTAL HOUSING CONSERVATION

PART 3 : RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

3.5: NEIGHBOURHOOD IMPACT AND RESISTANCE

PREPARED FOR
THE ONTARIO MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING
AND THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

BY
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ENVIRONICS RESEARCH GROUP
CLAYTON RESEARCH ASSOCIATES
LEWINBERG CONSULTANTS
WALKER, POOLE, MILLIGAN

MARCH 1983

VOLUME 7

NOTE:

This is a consultants' report. Any statements or opinions expressed herein are those of the writers or of persons quoted and, unless otherwise noted, are not necessarily endorsed by the Ministry of Municipal Affairs & Housing, Government of Ontario, or the Association of Municipalities of Ontario.

FOREWORD

This study was commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. Funding for the study was provided by the Ontario Ministry of Municipal Affairs and Housing through the Housing Renovation and Energy Conservation Unit of the Community Housing Wing. The Ministry's chief representative on the study was Mr. George Przybylowski of the Housing Renovation and Energy Conservation Unit. In this capacity, Mr. Przybylowski was the prime client contact throughout the study process and the consultants wish to express their gratitude to him for his considerable personal commitment to this study and the many creative and useful suggestions he made during the course of the investigations.

The findings, conclusions and recommendations contained in the various volumes of the study report are those of the consultants as are any factual errors they may contain. The report does not constitute Ontario Government or A.M.O. policy but is a report to these two organizations for their consideration.

Peter G. McInnis
Study Director

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GENERAL INTRODUCTION

This document forms one volume of an eleven volume study report commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario (A.M.O.) in July, 1982. The prime objectives of the study were:

1. To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods.
2. To examine some of the major forces at work that have and could threaten the conservation of the existing stock of rental housing and the tenants that occupy this stock.

These objectives were formulated in response to concerns on the part of the Ministry and A.M.O. regarding recent and emerging trends in housing and urban development and population growth and change in Ontario.

It is safe to assume that there will continue to be a demand for more rental and ownership housing units in Ontario during the 1980's and 1990's due to both an absolute increase in population and an increase in the number of households. However, there is growing evidence that this demand could be different in nature than during the last decade. While demand will continue to be focused in urban areas, there will likely be increasing pressure for inner city housing particularly in the larger urban centres such as Toronto, Ottawa and Hamilton. Also, households are getting smaller and older; and more people are beginning to accept the prospect of never being able to afford to own a home. These trends suggest that there will be an increasing demand for smaller dwellings. While consumer preference information may not support this, the general state of the economy and the future affordability of housing may dictate these demands.

The Government of Ontario and the Association of Municipalities of Ontario are concerned about how these additional and somewhat different housing needs of the 80's and 90's will be met, particularly in light of the downturn in the construction of new private rental housing; the economic prospects for the 80's and 90's and the likely restraints on public expenditures related to new facilities and services and socially assisted housing; and the increasing difficulty of providing new housing through large scale redevelopment and/or a further expansion outwards of Ontario's urban fabric.

There are two major approaches to creating additional housing: 1) building new and 2) making more efficient (intensive) use of the housing stock that currently exists. This study is aimed primarily at the latter and specifically at the potential for meeting some of the future housing needs in

the Province through the conversion of the existing stock of some 1,200,000 grade-related owner occupied dwellings in the Province. The extent to which this study is concerned with new housing was limited to the opportunities that might exist for small scale residential infill in residential neighbourhoods.

In addition to being concerned about meeting additional housing needs, the Ministry and A.M.O. were concerned about conserving the existing rental stock in a safe and livable condition for at least the same number of households as it currently accommodates. While this aging/conservation issue is by no means a new one, the nature of the issue will likely be quite different in the future. Until the late 1950's, the vast majority of housing in the Province was grade-related and owner occupied, and the conservation of these types of dwellings usually happened as a matter of course without much concern or assistance on the part of governments. In the last 30 years, however, the housing stock profile has changed dramatically with the advent of the high-rise apartment building. Rental apartments in multiple unit buildings form a much larger proportion of the stock than ever before. Approximately two-thirds of the over one million rental housing units in Ontario are located in high-rise or low-rise/walk-up multiple unit apartment buildings. Forty percent or 434,000 of the total rental units are in high-rise buildings. The conservation of the apartment rental stock has never been a serious issue in the past because of the relative newness of this stock. However, as these buildings age during the 80's and 90's (many are already 20 years old), serious attention will have to be given to the efforts that will be required to maintain these units in a safe and livable condition and within the economic reach of a large majority of the population. Therefore, the second objective of this study was in part, to examine the type of building repairs and improvements (and their associated costs) that will be required to conserve the Province's stock of some 434,000 high-rise rental apartments over the next 20 years.

A second rental housing conservation concern of the Ministry and A.M.O. had to do with the perceived loss of low-income rental accommodation that has traditionally been available in the form of rooms and apartments in grade-related dwellings in older neighbourhoods. Specifically, the study was to examine the extent of the loss of this type of housing due to demolition and deconversion resulting from the gentrification of these dwellings and the impact these losses have had on tenants.

The investigations were carried out by a series of five individual consultants working under the direction of a sixth consultant retained to coordinate and direct the study investigations. The work of each consultant was monitored and reviewed by a core study group made up of the five consultants, the study director and representatives of MOMAH and AMO.

Core Study Group

Study Director: Peter McInnis
Klein & Sears Research and Planning Limited

Consultants: Michael Adams
Environics Research Group

Jack Klein
Klein & Sears, Architects

Greg Lampert
Clayton Research Associates

Frank Lewinberg
Lewinberg Consultants

Peter Milligan
Walker, Poole, Milligan

Ministry
Representatives Sue Corke
Gary McAllister
George Przybylowski

A.M.O.
Representatives: Mayor W. McLean Town of Ajax

Gwyn Simmons City of Ottawa Non-Profit Housing
Corporation

Special Assistant
To Core Group: Betty Kaser

While the consultants' work on this study began formally at the beginning of July, 1982, some considerable effort was spent in advance of this start-up by a steering committee of Ministry and AMO representatives in developing terms of reference and a work plan with the Study Director that reflected the findings of an extensive and detailed review of the literature pertaining to the issues in question. This literature review was carried out by David Hulchanski for the Ministry during April and May of 1982 and has been published under separate cover. The prime purpose of this review was to identify the extent to which the issues in question had already been considered and the findings and conclusions that had been reached in order that the consultants' work could be focussed on those issues about which there is limited knowledge or understanding. Also, this review provided a valuable basis for establishing certain propositions to be tested in the study.

The investigations, particularly those relating to Objective #1, were carried out on a case study area basis in the municipalities of Toronto, North York, Hamilton, Kingston, Woodstock and Ottawa with special input from municipal officials in Thunder Bay. These municipalities were selected to reflect the fact that many of the issues under investigation were more associated with larger urban areas as well as to provide, at the same time, a range of sizes of municipalities for comparative purposes.

The overall study report is organized into 11 separate volumes. These 11 volumes follow the 5 part organization of the findings, conclusions and recommendations of the study investigations as indicated below:

PART #	TITLE (Prime Consultants)	VOLUME #
1	Summary of Findings And Recommendations (Klein & Sears)	1
2	Economic And Demographic Trends for the 80's and 90's (Clayton Research Associates)	2
3	Residential Intensification And Future Housing Needs	
3.1	Physical Potential (Clayton Research Associates)	3
3.2	Economic Issues (Klein & Sears and Clayton Research Associates)	4
3.3	The Supply Process (Environics Research Group and Clayton Research Associates)	5
3.4	Tenant Demand (Environics Research Group)	6
3.5	Neighbourhood Impact And Resistance (Environics Research Group and Lewinberg Consultants)	7
3.6	Municipal And Provincial Policies And Regulations (Walker, Poole, Milligan)	8
4	Conserving The Existing Rental Housing Stock	
4.1	Recent Rental Stock Losses and the Impact of Deconversion (Clayton Research Associates and Lewinberg Consultants)	9

4.2	Future Conservation Requirements And Costs for High-Rise Apartments and the Possible Impact on Rents and Tenants (Klein & Sears and Clayton Research Associates)	10
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5	Data Sources And Problems (Clayton Research Associates)	11
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This particular volume (Volume #7) of the study report was prepared by two different consultants. Mr. Frank Lewinberg of Lewinberg Consultants was responsible for the first part of this volume dealing with neighbourhood impact and Mr. Michael Adams of the Environics Research Group prepared the second part of this volume dealing with neighbourhood resistance.

INTRODUCTION TO PART 3

This part of the study deals with Objective #1

"To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods"

"Residential Intensification" as used in this study means increasing the number of households accommodated in existing buildings and/or on existing serviced land in already built-up parts of urban areas through conversion of existing structures and through additions to existing structures and the building of new structures on vacant or near vacant land. Intensification as used in this study is achieved with little or no demolition of existing buildings.

The interest in intensification reflects emerging housing market trends, changing urban population profiles and the economics of new housing construction, in particular new private rental apartments. In addition, the interest in intensification as a means of meeting some of the future housing needs in Ontario stems from a number of factors not the least of which is the economic restraint under which governments at all levels now find themselves operating and the prospect of similar conditions prevailing over the next several years. These restraint conditions have caused some governments to cut back on or freeze spending on new facilities and services and seriously assess the efficiency with which existing facilities are used. The argument in support of intensification to provide additional housing is, in part, due to these economic restraints and the potential that may exist for increasing the number of households being served by the existing urban infrastructure.

This study defined 7 basic forms or models of conversion and infill that meet the above definition of intensification:

- 1) changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)
- 2) changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.);
- 3) building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units;
- 4) building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development);

- 5) building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building);
- 6) converting existing obsolete non-residential space to residential use (e.g. over stores along arterials); and
- 7) building new multiple residential units on vacant or near vacant sites in commercial areas (e.g. mixed-use projects in core areas).

While Models #6 and #7 are critical forms of intensification, the opportunities and constraints related to these models are well researched and documented. In fact, in the past few years the Ministry itself has conducted two investigations into the potential for residential and mixed commercial and residential infill development in the core areas of Ontario municipalities. This study concerned itself solely with investigating conversion and infill potential in existing residential neighbourhoods because of the paucity of good information that exists on the subject. In particular, emphasis was placed on the conversion models and their potential application to the 1.2 million grade-related owner occupied dwellings in Ontario urban centres of more than 10,000 people.

Models #2-5 are graphically illustrated in Figures 1-6 on the following pages. These figures provide just a few examples of the multitude of different physical forms the various types of intensification could take.

The examination of the opportunities and constraints associated with the creation of additional housing by means of the 5 models is examined in terms of:

- the physical potential of intensification vis-a-vis such issues as the convertability of various house forms, current intensity of use and the opportunities for infilling around or adding to existing dwellings;
- the economics of intensification in respect to the costs of creating new accommodation and rents required to pay for this accommodation as well as the economic impact of intensification on municipalities;
- the supply process or who could and would undertake various forms of intensification and the motivations for doing so as well as the capability and attitudes of the construction industry and lenders to facilitate intensification activities;
- the market demand for various types of accommodation that could result from intensification among various segments of the tenant market;
- community and neighbourhood impact and resistance that may occur as a result of or in anticipation of increased intensification activities in the various types of neighbourhoods that are traditionally found in the urban fabric of Ontario municipalities;
- government policies and regulations and in particular, municipal official plans and zoning by-laws.

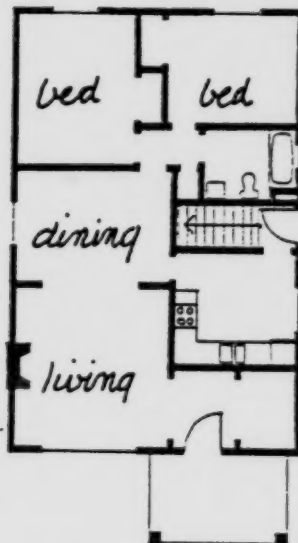
FIGURE 1 — Model 2

BUNGALOW CONVERSION

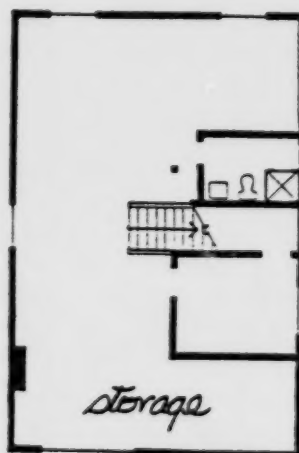
- a self contained one bedroom unit is provided in addition to the existing ground floor unit
- existing basement stairs are located adjacent to the back entrance facilitating conversion
- window wells or excavation to create a sunken patio can increase natural light for a basement apartment
- if the basement is already finished and/or a bathroom is in place, the conversion is likely to be less costly



BEFORE

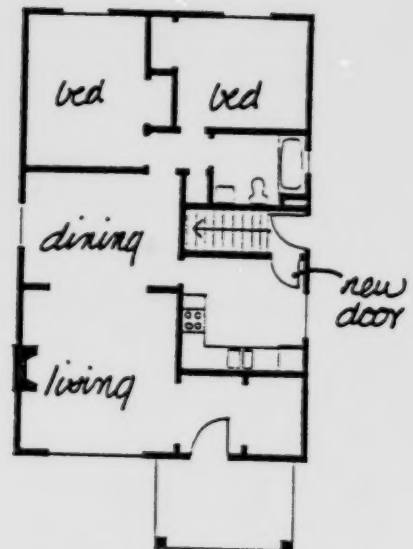


1ST FLOOR

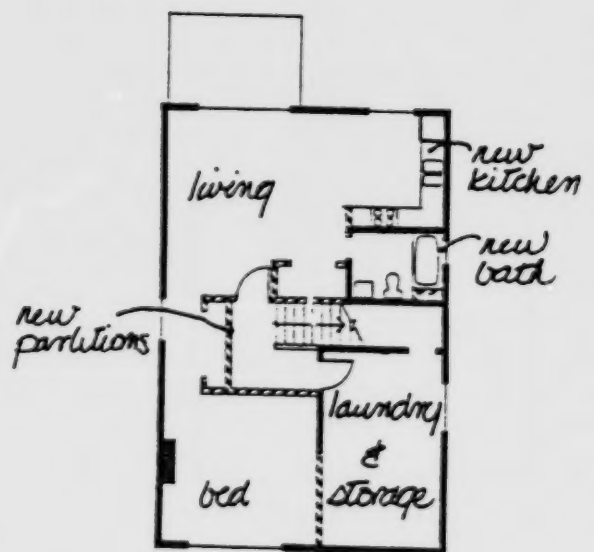


BASEMENT

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1ST FLOOR



BASEMENT

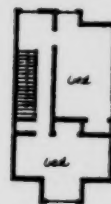
FIGURE 2 – Model 2

CONVERSION OF A THREE STOREY SEMI-DETACHED HOUSE

- the house is converted to provide a one bedroom unit on the ground floor and basement and a two bedroom unit on the second and third floors
- stairs and entrances are generally found on the party wall of semi-detached homes. This plan form lends itself readily to natural hall circulation
- decks can be added to second or third floors to provide additional space
- a larger house such as this provides more options for conversion. The house could be converted in a number of ways including three or four self-contained units, one on each floor or leaving the existing basement and converting to provide a bachelor apartment on one floor and a two bedroom apartment on the remaining floors



BEFORE



3RD FLOOR

AFTER



3RD FLOOR



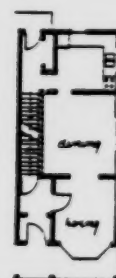
2ND FLOOR



2ND FLOOR



GROUND



GROUND



BASEMENT



BASEMENT

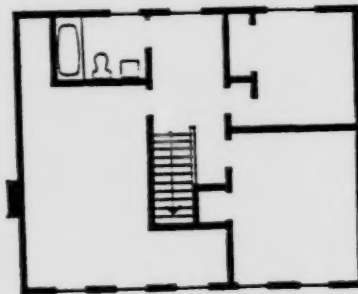
FIGURE 3 - Model 2

CONVERSION OF A TWO STOREY DETACHED HOUSE

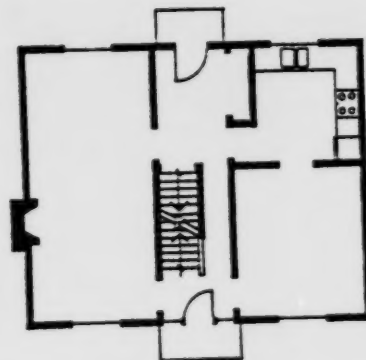
- the house is converted to provide a one bedroom unit on the ground floor and a one bedroom unit on the second floor
- the centre hall plan of this house is not as easily adaptable as the side hall plan of the previous illustration. The resulting circulation pattern within the units tends to be from room to room rather than off a hall



BEFORE



2ND FLOOR

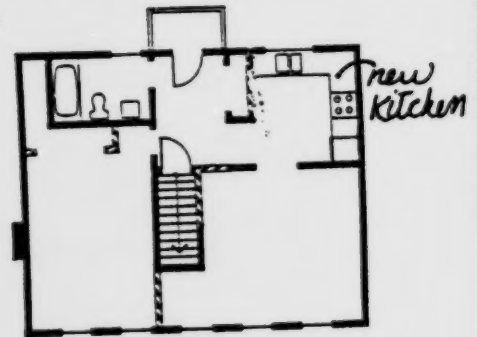


GROUND

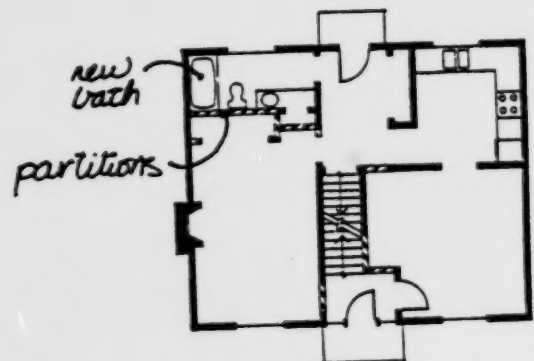


BASEMENT

AFTER



2ND FLOOR



GROUND

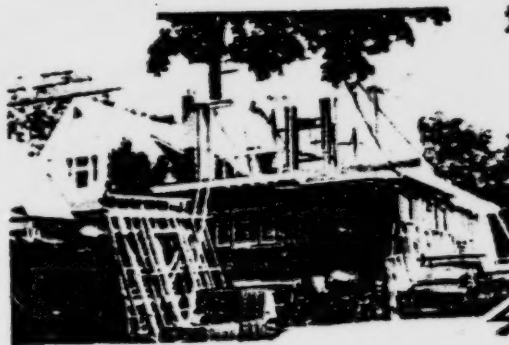


BASEMENT

FIGURE 4 – Model 3

VERTICAL ADDITION

- a second storey is added to an existing bungalow to provide a second self-contained dwelling unit
- as the ceiling of the ground floor unit is exposed during construction, timing and weather are important concerns in planning for this type of addition



HORIZONTAL ADDITION

- an existing garage is converted to residential space and provides a bachelor unit
- garages frequently have an existing back door and windows which can be incorporated in the conversion
- if the plumbing in the existing house is on the side of the house adjacent to the garage, the addition is likely to be less costly
- as this unit is grade related and provides access without stairs, it is particularly appropriate for a "granny unit"

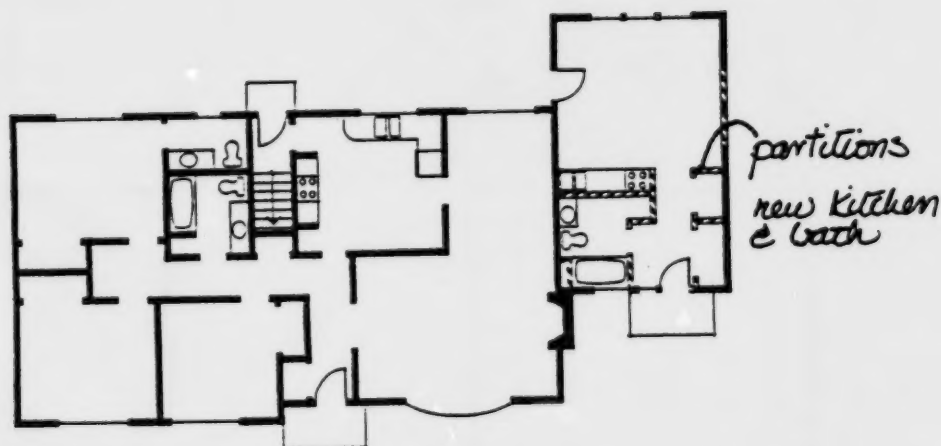


FIGURE 5 - Model 4

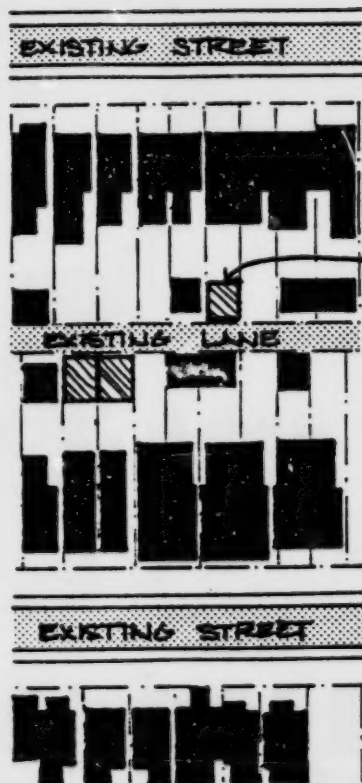
BACK LOT INFILL

- new housing units are built at the back of the lots on which there are existing houses
- access is from a back lane in one example and from the street using the side driveway in the other
- the length of the lot and the location of the house on the lot are critical factors. Generally urban land use patterns will accommodate this type of infill more readily than suburban land use patterns where the house is typically situated close to the centre of the lot
- the new housing could provide more than one unit or larger units by building more than one floor

BACK LANE ACCESS



SIDE DRIVE ACCESS



INFILL

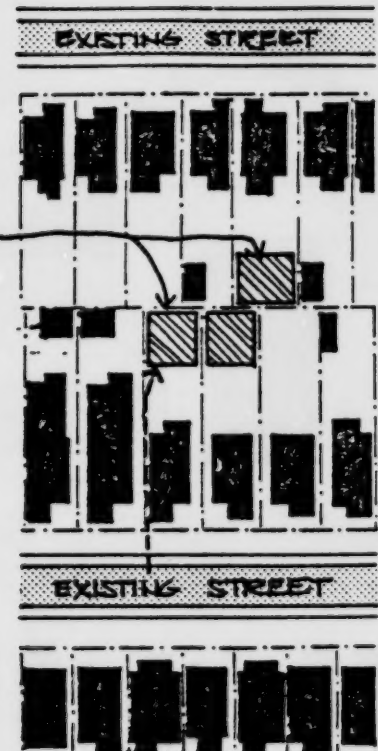
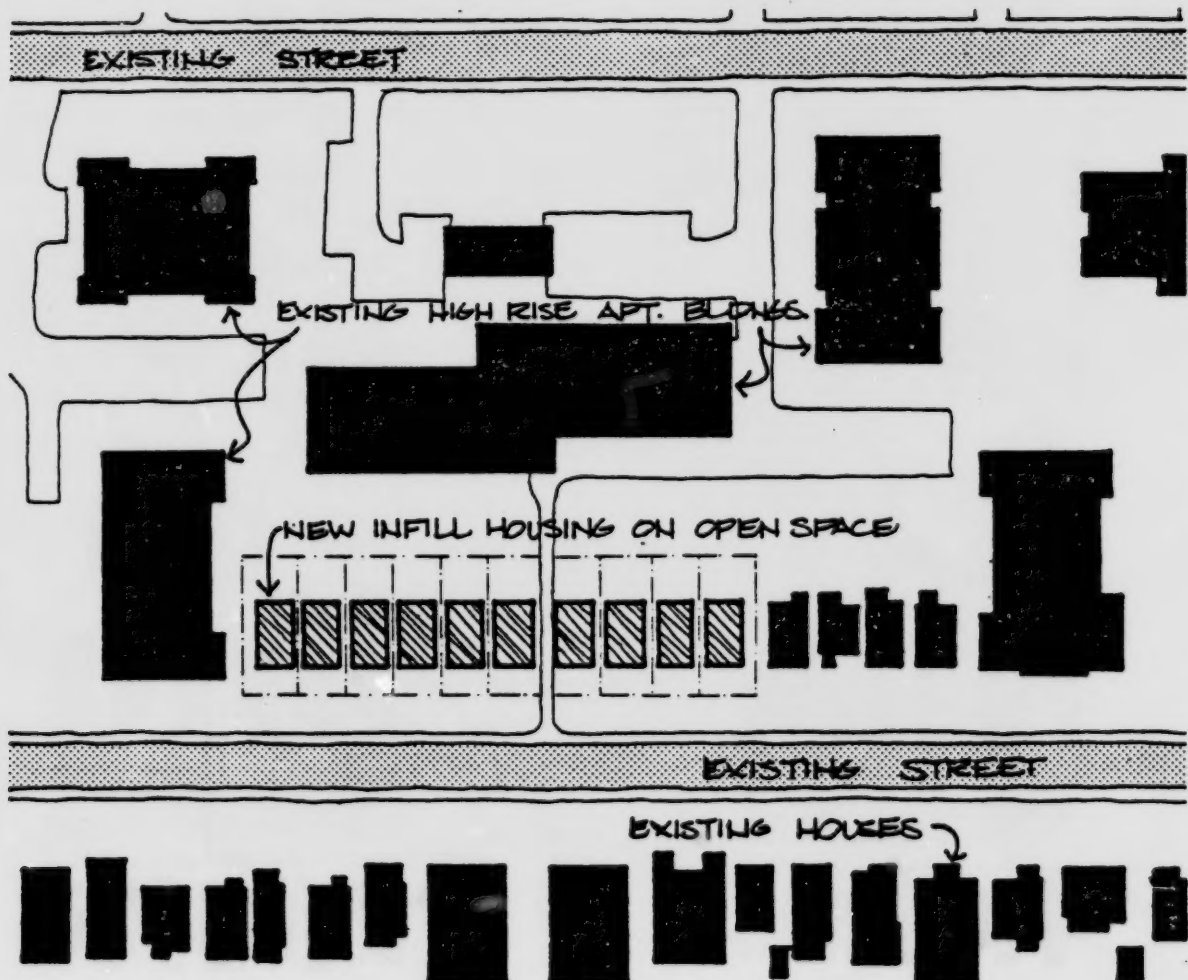


FIGURE 6 - Model 5

INFILL ON APARTMENT GROUNDS

- a number of single family houses are shown as infill in the landscaped open space of a high rise apartment building. The new housing could also take the form of semi-detached housing, row housing or low rise apartment structures
- the housing type could be selected to be consistent with the surrounding neighbourhood
- existing underground garages for the high rise apartment buildings often have surplus spaces which could be used for the new infill housing



PART 3.5.1

NEIGHBOURHOOD IMPACT

Prepared by:
Lewinberg Consultants

3.5.1 IMPACT OF INTENSIFICATION ON EXISTING NEIGHBOURHOODS

1.0 THE MAJOR ISSUES

1.1 The Neighbourhood Facing Change

Cities evolve and change over time with resultant pressures for change on the residential neighbourhoods. When compared with urban renewal and redevelopment, the incremental and small scale nature of intensification activities is probably the least disruptive form of neighbourhood change. The large scale urban renewal schemes of the 1960's, have proven to be socially and physically unacceptable as well as politically unpalatable. It is widely recognized that infill and conversion produce a scale of building which is smaller and more in keeping with the neighbourhood. It becomes more difficult for large scale land assemblies to occur. Both higher property values and a stronger physical fabric will deter land assembly. Infill does not by itself prevent land assembly and block busting but it is a sign that small scale private investors are confident that the neighbourhood will not be upzoned and that property values will rise through revitalization instead of increased densities (31).

Infill will provide the opportunity of replacing derelict buildings and non-conforming uses which exist within some inner-city residential neighbourhoods. These neighbourhoods were developed before the advent of zoning by-laws and often contain a mix of uses which may detract from the neighbourhood character. A number of physical opportunities may present themselves for infill, such as, the demolition and redevelopment of industrial land uses, small vacant lots, back lots, scattered larger lots and underutilized land where limited demolition is possible (32). In this regard the flexibility of infill is apparent. New construction must be designed to conform with the site characteristics, as well as the physical scale and form of the neighbourhood.

An advantage of conversion, in particular, is that it offers the opportunity of dwelling unit intensification within an existing house form building. This can help to ensure the preservation of historically significant residential dwellings and streetscapes while providing additional units (30). When applied as a strategy for intensification, increased housing supply will serve to protect low density residential neighbourhoods while increasing the supply of dwelling units. Reports by numerous municipalities recognize conversions as one of the least disruptive methods of increasing the housing supply (25/35). Conversions, are generally unobtrusive where controls over the physical character of houses are in place.

Intensification will indirectly lead to a revitalization of nearby commercial strips. Increased purchasing power resulting from increased density can help to attract new and varied retail outlets to nearby commercial strips. A more heterogeneous community of seniors, single persons and couples added to a

traditional family neighbourhood can also attract more diversified retail outlets to the neighbourhood.

Existing zoning by-laws and planning controls have not always been sufficient to prevent major negative physical changes in units which are converted or in new infill units. In Parkdale, a neighbourhood of Toronto which underwent substantial illegal conversion, the physical character of many older house form buildings was substantially altered. Conversion, if not adequately controlled can result in the loss of architectural detail and the creation of new buildings which are substantially out of character with the neighbourhood. Where conversions are carried out by absentee landlords, property upkeep has the potential of suffering. Owner occupied conversions will usually not result in the same physical deterioration of neighbourhoods.

Other potential problems which may arise include the loss of open space and landscaped space as backyards and front yards are paved over to accommodate additional parking needs (45/10). Public and private open spaces will be reduced as infill utilizes vacant sites. This may reduce the open space amenity in neighbourhoods; however, the result will depend upon the particular circumstances. Where these open spaces are unattended they may be unkempt and detract from the neighbourhood.

The process of intensification is generally a positive form of neighbourhood change in response to the changing needs of an urban area as it matures and responds to new forces and demands. However, the physical aspects of intensification are easily open to abuse. Therefore, while it is appropriate to encourage this type of change in all neighbourhoods it is also essential to ensure that the most critical physical aspects of change will be adequately controlled.

1.2 The Existing House - Its Potential & Problems

Single detached and semi-detached houses are a relatively flexible form of housing which have over the years been adapted to meet the changing market demand, particularly in the inner-city neighbourhoods. Conversion of these units to create duplexes, triplexes or multiple unit dwellings has resulted in the retention of the house form nature of many inner-city neighbourhoods while providing a varied mix of unit sizes and prices.

Much of the existing single family housing is underutilized and this situation will become more predominant as the population ages. Homeowners with abundant living space could provide additional suites in their homes without significant disruptions to their lifestyle.

Conversion will lead to the creation of additional rental stock in house-form buildings rather than apartment buildings. This will provide a greater variability in rental housing and maintain ground related units as an important component of the total housing stock. This alternative to highrise apartment units is preferred by many people and especially families with children. Units in house-form buildings are less alienating and more

accessible to private outdoor open space than highrise apartment units (40). Contrary to the mass-produced uniform apartment units, infill and converted units offer a variety of unit sizes and designs which will suit a range of tenants. Conversions also offer the opportunity for access to neighbourhoods which would otherwise be inaccessible to moderate income households due to the inappropriate unit sizes and concomitant prohibitive costs.

In some municipalities by-laws which permit conversions have been introduced subsequent to widespread illegal conversions (38). These illegal conversions, although usually tacitly accepted by municipal authorities, may create a number of problems for tenants. The number and size of units may be inappropriate for a particular house. Besides creating uncomfortable and cramped conditions for some tenants, excess units may result in noise between units and overcrowding. These levels of density may lead to increased conflict between tenants. The notion of crowding is culturally and socially specific; however, some illegal conversions have resulted in an inordinate number of residents in some dwellings.

Residential intensification through conversion and infill could lead to a decrease in personal privacy as population density is increased. Conversions will require private landscaped open space, where it exists, to be shared by a number of people. Where this space is not properly defined, the ambiguity, and in some cases poor upkeep, may result in underutilization by occupants (5).

Problems associated with illegal conversion will be reduced where conversion by-laws are in place to address the various resultant physical changes associated with conversion. Legalizing conversions will ensure that unit sizes are appropriate, fire regulations are adhered to and an adequate ratio of private open space and sufficient parking is provided. If legal conversions are to be encouraged, however, some existing standards may have to be changed. The key is identifying those standards which have a real impact on people's lives and those which do not. Conversions which occur within a house and require no external change have virtually no impact on the neighbourhood. Even a high income suburban neighbourhood is not sensitive to this form of conversion. Minor external changes which ensure that the general external appearance of the house and the streetscape is maintained would have negligible impact as well. Major external changes, interference with a neighbour's access to daylight and enjoyment of privacy, and inadequate parking, will require that standards are established or approvals sought and negotiated with the municipality and the neighbours.

In a number of municipalities such as Kingston, Toronto and Hamilton, the exploitation by a few absentee landlords of large houses has caused whole neighbourhoods to become politicized and antagonistic to conversions. These large houses have been insensitively renovated and converted to accommodate too many people. Lack of proper maintenance and overcrowding of these houses in otherwise stable well-kept neighbourhoods have mobilized neighbourhood opposition. These excesses must not be allowed to happen and clear control on conversion and infill will be necessary to prevent them.

1.3 Who Would Provide The New Units?

As homeowners experience increased debt servicing costs, some will seek ways of reducing carrying costs and an additional unit may provide this needed financial relief. Homeowner groups who may be in particular need of additional income are first-time home buyers and senior citizens. Inner-city ethnic neighbourhoods have been traditionally more receptive to conversion and often families will convert the basement or third floor to benefit from the additional income.

Conversion and infill provide the opportunity for seniors to remain in their traditional neighbourhoods through either converting their home to provide additional revenues necessary to compensate their lower annual income, or severing their lot to permit infill on the newly created lot, thus providing an additional source of capital through the sale of surplus land. In a 1975 report, the City of Toronto Planning Board suggested a programme for the conversion of senior's homes to accommodate other seniors. Such a programme would benefit both the homeowner by providing additional income and the better utilization of often large underutilized houses, as well as prospective elderly tenants through rents that are lower than in conventional seniors' buildings (2/42/43).

According to City of Toronto Aldermen and others, however, seniors will be reluctant to convert their dwellings; instead they will move to condominiums, thereby freeing up locked-in savings and moving to accommodation that requires little or no maintenance (50). Certainly, there will be cases where both alternatives are favoured by seniors and the potential for conversions does exist within this group.

Irrespective of the economic benefits which may accrue to property owners from conversion and infill, the majority of homeowners, particularly in suburban locations, appear not to be in favour of either infill or conversion. Infill would decrease their private outdoor space and disrupt the character of suburban neighbourhoods with large lots. It is apparent from the key informant interviews that most suburban property owners prefer to maintain the status quo rather than reap the economic benefits of conversion or infill.

1.4 Who Would The New Units Serve?

When discussing the affordability of infill and converted units it is useful to distinguish between these two types of units.

Infill

Infill units are usually priced within the price range of the neighbourhood in which they occur. A CMHC study concluded that infill unit prices were highly dependent on the stage of the infill process in a given city. At the initial stages of inner-city neighbourhood infill overall costs to the residents are often as much as 25 per cent below costs for comparable suburban

housing. However, over time, market forces will move upwards in the centre as neighbourhoods are transformed both physically and socially. Infill housing in central neighbourhoods will often become substantially more expensive than the suburban alternative (29).

As inner-city neighbourhoods undergo renovation and infill, property values and rent structures continue to increase. In many cities, infill is no longer an inexpensive alternative to suburban housing. The only infill which is able to compete with suburban house prices is non-profit assisted housing.

As an alternative to private sector infill, however, non-profit inner-city housing offers the only opportunity of providing new units in the inner-city which are affordable for low-to-moderate income households. The City of Ottawa's Community Development Department recognized the importance of non-profit organizations in providing affordable inner-city housing. A 1979 study recommended a number of measures which would assist non-profit housing organizations in obtaining appropriate sites for non-profit housing (26). Without the widespread participation of non-profit agencies in inner-city housing production on small sites, infill will continue to meet only the middle and upper income demand for new housing in the inner-city.

Conversion

The effect of conversions on the affordability of the housing stock is somewhat more ambiguous than infill housing. Conversion of house-form dwellings to self-contained units or rooms which share common facilities has in the past been a significant element in the supply of rental accommodation in the inner-city.

Today conversion does not always ensure less expensive more affordable housing. In neighbourhoods which have undergone gentrification and renovation, converted units may often exclude lower income households. Previously converted rooming houses are now being deconverted into a number of expensive apartments within one house, or again into a single family home. Landlords are able to maximize the rental return on their units by investing a proportionately small amount of additional capital for a substantial increase in revenue.

On a city-wide scale, however, there is some evidence to suggest that converted units are less expensive than comparable units in apartment buildings with more than six units. A study of rental housing in Thunder Bay, conducted in 1980 found that 57% of the respondents in buildings with less than six units had rents of less than \$200 per month. In buildings with more than six units only 42 per cent had rents of less than \$200 per month (21). According to a report on residential conversions in Thunder Bay published in 1981, "the rents charged in a converted dwelling are approximately 15 per cent less than for a similar dwelling in a six or more unit apartment building" (38).

Converted units offer the advantages of other rental accommodation; smaller unit size to accommodate smaller household sizes; greater liquidity of personal resources for the tenant, and greater access to convenient inner-city neighbourhoods. According to key informant interviews conducted in all cities studied, the cost of conversions was significantly affected by the municipal approval process. Where conversions were illegal, units could be competitive with other rental accommodation; however, excessive building code regulations and approval periods could force rents above conventional rental accommodation. Time and again it was emphasized that if conversions were to remain affordable for moderate income tenants, they would have to be illegal.

The affordability question remains inconclusively resolved; however, it would seem logical that existing houses could be converted to multiple units for less capital investment than creation of new units. The type of unit which results will, where the market permits, satisfy the middle and upper income tenant demand. However, there are many neighbourhoods which could accommodate a range of income groups. Conversions in stable working class neighbourhoods, for instance, will have to be relatively modest as middle income tenants will not likely be interested in such neighbourhoods.

1.5 The Effects of Conversion and Infill on Property Values

There exist virtually no empirical studies which quantify the effects of infill and conversion on property values. It is, however, possible to outline the general direction property values will take as a result of different forms of infill and conversion in specific types of neighbourhoods. It is necessary to separate these two phenomena in order to better understand their influence on property values.

Infill

In the case of an inner-city working class neighbourhood undergoing gentrification, infill, where undertaken by the private market, usually signifies a strong property market. Selective demolition and redevelopment to or above neighbourhood standards will create an improved neighbourhood environment and demonstrate confidence in a residential area. In this situation, infill is usually a concomitant process of gentrification and deconversion, rather than conversion. Where infill fails to recognize the form and character of a neighbourhood, however, property values may in fact be adversely affected. The details of infill are extremely important in this regard. Both residents and other key informants, including planners and politicians, have emphasized that design and planning of infill projects are essential to their acceptance and consequent positive economic benefits for the neighbourhood (50).

Where infill is undertaken by a public agency on a large scale, the economic effects on the neighbourhood will again very much depend on the scale and sensitivity of the project to the surrounding neighbourhood. Non-profit assisted housing, despite significant variety in its scale and the client groups retains a certain stigma. The differential effects on property values

of privately-produced versus publicly-produced infill housing has not been sub-stantiated to our knowledge. Given the objectives of the two sectors, however, it would logically follow that since publicly-produced housing attempts to reach the low-to-moderate income sector of the market the beneficial effects on property values would be less than for privately-produced infill.

Another situation in which infill will undoubtedly have positive economic benefits for property values is the case of large lots in predominantly middle and upper income inner-city neighbourhoods and numerous suburban neighbourhoods. Infill will lead to higher property values especially where intensification is permitted through changes in the zoning by-law. Neighbourhoods with excessive frontages offer the opportunity of substantial economic returns where severances result in infill produced to the same standard or a higher standard than the surrounding neighbourhood. Although this development option may be beneficial to resident property owners in terms of potential income, it is often rejected since infill will disrupt the existing character of the neighbourhood.

Infill undertaken by the private sector will generally produce units at or above the price of housing in the neighbourhood. Both property owners and developers prefer to maximize economic return, and where zoning prohibits development which is substantially out of character for a neighbourhood, the infill unit will best achieve profit maximization at the top end of the local neighbourhood housing market. Consequently, property values will be enhanced by complementary housing quality as well as the economic potential inherent in lots with the potential for infill development.

Conversions

The effect of conversion on property values is probably less clear cut than in the case of infill. Where conversions are widespread and significantly disrupt the social and family composition, property values will probably be adversely affected. In the case of St. John, N.B. a sharp increase in demand for housing resulting from off-shore oil exploration led to a substantial number of conversions in the inner-city housing stock. These neighbourhoods experienced a decrease in family composition and increased absentee ownership. Coupled with a decreased demand for converted units, many of these units fell into disrepair (10). This type of significant disruption in both the social and physical character of a neighbourhood will generally be deleterious to property values.

Often conversion will occur in generally stable neighbourhoods. Where conversion does not disrupt the physical appearance of the housing stock, property values will probably not suffer. However, where conversion leads to physical changes in the neighbourhood through alterations in the house form character, additional parking, decreased private open space and other such changes, this may have a negative effect on surrounding property values. The property values in these neighbourhoods are based on the physical as well as family composition; once altered, these neighbourhoods become less desirable for this market, although not necessarily less valuable.

Neighbourhoods which experience substantial changes from conversion, may after a period of transition, once again become desirable, though for a different market. The Annex, an inner-city neighbourhood in Toronto would seem to fit such a scenario. This neighbourhood, over a period of years was converted from a predominantly single family neighbourhood to a heterogeneous composition of incomes and life cycle characteristics. Substantial conversion took place; however, the house form character was largely preserved. Property values in this neighbourhood have certainly not declined relative to other comparable neighbourhoods where conversion has not been so wide spread.

According to Patrick Hare (1981) who conducted a study on accessory apartments in a number of U.S. cities, property values will not be adversely affected by conversion. Market effects of an accessory apartment ordinance will largely be masked by other influences on house prices such as interest rates. In municipalities which have adopted by-laws permitting accessory apartments, property values have not declined relative to similar jurisdictions which do not permit conversion. In a tight rental market an extra unit may actually increase a house's value given its potential to produce revenue (14).

1.6 Parking and Traffic Congestion

The physical availability of parking space is considered to be one of the most serious constraints on conversion and infill, particularly in older neighbourhoods. The physical characteristics of many older inner city neighbourhoods mitigate against the provision of additional on-site parking. Many of the older houses have no vehicular access from the street to the rear of the house thereby limiting parking to the front yard or the street. Streets in such neighbourhoods are often already overcrowded with parked cars.

It is argued that many of the neighbourhoods in which parking and traffic congestion may be a problem are well located with respect to transit and entertainment facilities. Accordingly, car ownership is less essential and lower levels of car ownership can be anticipated. It has also been revealed, however, that many households which are located downtown do so for convenience rather than lower transportation costs. In fact, many of these households do exhibit similar automobile ownership patterns after their relocation downtown. Although their reliance on the automobile may be less, they continue to own cars and consequently require space to park or store them (30).

If municipalities wish to encourage infill and conversion, parking will be a significant constraint to the provision of new units. A reduction in the ratio of parking spaces per housing unit or the standards which affect the space design and siting will have significant ramifications for the physical character of neighbourhoods and possibly unit design. If these standards are not reduced the potential supply of infill and conversion units will be limited. Specific solutions such as the utilization of school or commercial parking lots by residents at night are being experimented with in some neighbourhoods.

Infill units in most municipalities currently must provide one parking space per unit. The design of these units has changed significantly from the traditional housing stock. Garages are often, out of necessity, contained within the unit, with entrances at the front of the dwelling. Where frontages are narrow, (6 metres) garage doors tend to dominate the dwelling facade. Infill housing units have necessarily adapted to the parking requirement and the number of units is often limited by this requirement.

Conversion, on the other hand, usually does not entail substantial physical alterations to the building. Therefore sufficient space has to be found on the lot to accommodate extra parking for additional units. This often leads to a reduction in outdoor recreation space.

The extent of the parking problem in many older neighbourhoods does not necessarily relate to the number of units on a street. Single houses which require only one parking space may contain four adults who own four cars. The areas which contain many illegal units do not appear to have a substantially different parking problem to those with few illegal units. Areas which have had substantial deconversion continue to face the same shortage of parking as do other parts of the City.

Existing municipal parking provisions fail to recognize the variability in automobile ownership from neighbourhood to neighbourhood. Some neighbourhoods which have been substantially gentrified will have a higher proportionate level of automobile ownership, whereas other neighbourhoods with a profusion of illegal units may not experience a substantially worse parking problem.

The effects of infill and conversion on traffic congestion require further analysis before any conclusive position can be reached. At the level of inter-urban commuting, traffic congestion should theoretically be reduced as more people live downtown, close to their place of employment. Increased reliance on intra-urban public transit would also be the result of this rationalization of home-work distance relationships. At the level of the neighbourhood, however, traffic congestion may very well increase if, as it has been suggested by the CMHC infill study, residents tend to exhibit similar auto ownership patterns subsequent to their move to the inner-city. This traffic congestion could be reduced if car ownership was discouraged through such means as reduced parking standards and therefore lack of parking space.

Parking congestion is less acute in recently developed neighbourhoods. Most suburban neighbourhoods, and even a number of pre World War 2 neighbourhoods, have sufficient space on the lot for additional vehicles and there is virtually no on-street parking at present.

2.0 MUNICIPAL FINANCE AND THE PROVISION OF SERVICES

One of the most important public policy implications of intensification of existing residential neighbourhoods is the question of efficient municipal service delivery. It has become increasingly apparent that extensive suburban residential development is inefficient and costly to municipalities. Numerous studies have supported the notion that intensification of the existing housing stock through conversion and infill will provide greater revenues through increased property taxes and reduce per capita costs for municipal services (40/31/29).

Many cities have a considerable spare capacity in most service areas. While this extra capacity could be overtaxed through massive and widespread redevelopment, a modest increase in densities through conversion and infill would usually be accommodated with no extra capital expenditure and modest operating cost increases. CMHC's (1981) study of municipal cost savings from infill compared with suburban development are convincing. Based on a population increase of 5,000, where existing inner-city schools are utilized rather than new suburban school facilities, capital cost savings amount to \$12.5 million. An additional \$2.5 million are also saved from the operating cost as a result of more efficient utilization of existing schools and existing public works facilities (16).

The St. John's case study conducted by CMHC demonstrated that extra capacity in almost all municipal services including education, police, fire, public transit and public works would permit increased density with a negligible effect on capital costs. In most instances operating cost increases for such services as garbage collection and waste disposal would be offset by increases in tax revenues (32). A survey of service capacity in Winnipeg corroborated the St. John's findings. Virtually all services including, schools, libraries, fire protection and public works facilities have excess capacity. Certain services such as snow removal, sidewalk maintenance, storm sewers and fire protection would not even require increases in operating expenditures (32). Therefore, not only would increased operating expenditures be compensated by increased tax revenues, but increased tax revenues could conceivably lead to a reduced mill rate in some municipalities.

According to the Winnipeg study, intensification of residential neighbourhoods could lead to the better utilization of transit and expressway routes through increased population concentration, reverse commuting to work, and the proximity of employees to places of employment in the downtown (32). The cost implications for different urban transportation systems will vary depending upon their particular capacity utilization. Inner-city public transit may benefit from the increased utilization of extra capacity while over crowded suburban networks may be relieved. Certainly, increased population densities in the inner-city with concomitant employment opportunities in close proximity should result in overall cost savings.

The financial advantages for municipalities may go beyond the more efficient utilization of existing services. Infill and conversion, will in some neighbourhoods increase property values, which will lead to higher assessed values for private property, and hence, higher tax revenues for municipalities. Assessed values will increase on a general level from increased property values as well as a site specific level where the cost of conversion is included in the assessment value of an individual dwelling (47/29).

Since intensification activities will result in an incremental change in neighbourhood population levels, there is a danger that service delivery will not respond in an efficient manner. Substantial shifts in a neighbourhood's income and social characteristics may require readjustments in the types of social services available to that neighbourhood. Similarly, significant increases in a neighbourhood's population may create a need for improvements in physical services. Municipalities must recognize these changes as they occur and plan for necessary social and physical service adjustments at the outset. Infill and conversion are unlike planned new suburban growth and therefore municipalities must monitor demographic change at the appropriate neighbourhood scale.

3.0 SCENARIOS FOR NEIGHBOURHOOD CHANGE

Neighbourhood intensification through conversion and infill has had both positive and negative influences on individuals and neighbourhoods depending upon the extent of change and the socio-economic characteristics of individuals and neighbourhoods. This section will attempt to identify the scenarios for socio-economic change in different types of neighbourhoods as well as the implications for residents in different socio-economic positions and at different stages in their life cycle.

In the following examination we outline the socio-economic changes that will result from a continuation of present trends as well as those which will result from a deliberate policy of encouraging neighbourhood intensification through conversion and infill.

3.1 The Inner-City Neighbourhood

The first type of neighbourhood to be discussed is the older inner-city neighbourhood close to the downtown which has exhibited the greatest amount of socio-economic change over the past 15 years. The houses may be of historical or architectural merit and are between 60 and 100 years old. Ten or twenty years ago these neighbourhoods were occupied largely by low-income residents. There are some neighbourhoods such as Durand in Hamilton or the Annex and Rosedale in Toronto which have been occupied largely by a mix of incomes or by high income households for many generations; these neighbourhoods are subject to the same general forces and similar policy conclusions will apply.

In the past 15 years some of these neighbourhoods, mostly in the larger urban centres such as Toronto and Ottawa, have experienced gentrification. Gentrification means the movement of middle-income households into the older inner-city neighbourhoods causing property values to increase and displacing the existing low-income households. The process of gentrification is accompanied by a dramatic improvement to the physical housing stock. This process of neighbourhood change is largely the result of changing property values which in themselves are determined by both physical improvements and a neighbourhood's attractiveness to higher income groups.

Inner-city neighbourhoods experiencing gentrification have largely undergone deconversion and rehabilitation rather than conversion. As middle income groups seek proportionately more space than the former working class inhabitants, single family dwellings previously occupied by possibly two families are deconverted to accommodate just one family. Conversion is largely absent as working class residents are displaced by middle-class professionals seeking more space. Although, where property values begin to escalate, the potential does exist for the conversion of large single family houses into a number of luxury apartment units suitable for smaller middle or high income households.

This process of change will lead to greater neighbourhood heterogeneity and diversity, at least in the initial stages. Where neighbourhoods are predominantly of ethnic or other homogeneous composition, greater heterogeneity will result from the in-migration of individuals or families with incomes above those of the existing neighbourhood. Heterogeneity will be characterized by more diverse incomes, family composition and ethnic composition (31). Depending upon the intensity of neighbourhood gentrification, displacement of original working class residents may continue to the point where such neighbourhoods once again become relatively homogenous with respect to incomes but probably not with respect to family composition and ethnicity.

Infill housing further accelerates this process of neighbourhood change. Before infill occurs in inner-city working class neighbourhoods the process of neighbourhood rehabilitation must be substantially underway. Once property values begin to increase and the prospects for middle income demand are confirmed, private sector infill will be possible (11). Infill will generally tend to serve the new middle income or upper income residents.

The limited amount of conversion to smaller units which can be anticipated in such a neighbourhood could offer greater affordability in some instances. However, the prospect of such conversions offering a substantial number of working class households the opportunity to remain in their neighbourhood is limited due to demand for such accommodation by higher income groups who are able to outbid them and are also more socially compatible with the landlords.

In summary, working class inner-city neighbourhoods which experience rehabilitation and gentrification, will also experience a certain degree of infill but limited conversion. Infill and conversion in this context, however, is usually a complement to the general process of gentrification which leads to a displacement of working class families, a decrease in population and an increase in property values.

The major changes which have taken place in such neighbourhoods, and which are just beginning in others, are able to occur without any alteration of local land use legislation. The question of the displacement of working class households will be examined separately in Section 4.1 of this report. Infill development has usually proceeded through the existing planning process on a site-by-site approval basis thereby restricting it to the most ideal sites, the most profitable sites or sites intended by government for socially assisted housing. Conversion, where it has occurred has similarly been limited by existing municipal planning laws.

The socio-economic impact of changing land use regulations to permit more infill and conversion of existing houses to occur in such inner city neighbourhoods would in our view be negligible. Infill will continue to serve the income group which is entering the neighbourhood as will most conversions. Both types of development will also have the effect of countering the process of deconversion by adding back some of the housing

units being lost by that process. Infill development will be limited by the lack of physical opportunity in such inner-city neighbourhoods where lots are frequently small. Conversion will be limited as the major trend in such neighbourhoods will remain for deconversion.

3.2 Older Working Class Neighbourhoods

Most cities in Ontario have neighbourhoods which were built largely between the two World Wars and are today inhabited by stable populations of low to middle income households. These neighbourhoods differ from those discussed in the previous section in two respects: first, they are not usually close enough to the downtown to benefit from its attractions or to be seen as a good location for professionals seeking a downtown home; and second, the houses are often not considered to have such strong architectural or historical merit as those discussed in the previous section. In most such neighbourhoods there has been only a minor occurrence of gentrification and it is presumed not likely to become a major trend in the neighbourhood.

Most of these neighbourhoods contain large numbers of converted housing units. The general attitude toward such conversions is that they are an accepted part of the community and that homeowners will undertake conversion to meet their housing or income needs. Many such conversions had already taken place prior to the existence of a zoning by-law in these communities. They would in many instances not be permitted to occur under existing land use regulations. Thus these neighbourhoods tolerate a considerable number of "illega" or "legal non-conforming" conversions as an accepted part of the neighbourhood. It is frequently the recognition of the extent of illegal conversions in such neighbourhoods that has led cities such as Thunder Bay to address the issue of permitting this type of development.

Conversions usually provide an extra source of income to families through the provision of an additional basement or third floor suite. These units are likely a source of housing for families, young working singles and students who cannot afford to pay for higher priced apartment units. That these converted units are less expensive has been confirmed at least for some municipalities. In Thunder Bay as cited earlier and in a 1975 study by the City of Vancouver Planning Department it was also suggested that the conversion of single family houses offers the opportunity of providing accommodation to those persons unable to afford apartment rents (47). It would appear that the stable older working class neighbourhoods offer the prospect of providing the least expensive non-subsidized rental dwelling unit.

Contrary to the escalation of property values and consequent neighbourhood change that has occurred in the inner-city neighbourhoods, many of these older working class neighbourhoods remain relatively stable both in terms of property values and their socio-economic composition. Conversions in this type of neighbourhood will affect the family composition and increase the number of single and two person households. Income characteristics, however, will probably not change significantly although individuals with incomes

somewhat below the neighbourhood average would be expected to occupy the converted dwelling units. Depending on the degree of conversion, stable working class neighbourhoods will experience an increase in non-family households, a wider diversity of ethnic origin, and households with incomes at or below average incomes for the neighbourhood.

Limited conversion would probably not have an adverse impact on neighbourhood stability, personal security or crime. If conversions are widespread within such a neighbourhood the potential for conflict and neighbourhood instability will increase, as in Toronto's Parkdale neighbourhood. This may be a simple function of the average duration of residence which is likely to decline and could result in a less socially integrated neighbourhood, higher "transiency" and the possibility of greater conflicts in life style.

Only a small amount of infill development has occurred in these stable working class neighbourhoods. Prices of new units cannot be substantially above the price of existing older units as the perception is not one of a market catering to higher income groups. Thus, where such units have been constructed, they tend to serve a socio-economic group similar to the existing neighbourhood. The major infill developments in such neighbourhoods in Toronto have resulted from government assisted programs such as AHOP or the Non-Profit Housing Program. Again the population served in these cases is usually similar to that found in the neighbourhood.

It can be assumed that the process of conversion will continue illegally in stable working class neighbourhoods irrespective of government legislation. The economic pressures and the housing needs of the time will dictate how people use their housing in these neighbourhoods. Infill housing will continue on a site by site basis with the public agencies in a strong position to bear the costs and frustration of the approval process, or by private developers where acquisition of suitable land is relatively cheap.

The residents in these neighbourhoods are generally the least well equipped to control their neighbourhood through the political and bureaucratic world of City Hall. Yet their neighbourhood will experience the greatest pressure to absorb the housing problems of the City. These neighbourhoods are therefore the most sensitive to a relaxation of land use regulation controlling conversions and infill. The relatively apolitical residents' groups combined with the relatively low price of housing and land make stable working class neighbourhoods ripe for cheap speculative conversions, slum-landlords, bachelorettes and other excesses often associated in the public's perception with conversions. This type of conversion can substantially destroy the stability of a neighbourhood and result in the lowering of property values.

There is no doubt that a greater number of conversions would be acceptable in such neighbourhoods; this is signalled by the large amount of illegal conversion which is accepted by the community. However, the tacit acceptance of illegal conversions still allows the municipality to exercise control over flagrantly unacceptable conversions. It is our position that in such

neighbourhoods land use controls which retain some control over the extent, quality, concentration and type of conversion must be retained by the municipality.

Infill will be naturally restrained in such neighbourhoods by the lack of opportunity. As in inner-city neighbourhoods, properties are small and few opportunities for infill exist. New units which are constructed would continue to add to a similar socio-economic profile and simply strengthen the neighbourhood. Therefore the encouragement of infill development in such neighbourhoods would be appropriate through a relaxation of existing controls.

3.3 Older Middle and Upper Income Neighbourhoods

The neighbourhoods built between the World Wars which are inhabited largely by stable middle and upper income populations are significantly different from the two types of neighbourhoods already described. Due to the relative affluence of these communities there has been very little need of conversions to serve the residents themselves. Therefore relatively little conversion has occurred in such neighbourhoods.

Probably the biggest impediment to conversion and infill in these neighbourhoods is the homeowner's reluctance to sever his lot or convert his dwelling. According to many of those interviewed in Toronto and other cities, owners are reluctant to give up space within their homes and are unreceptive to the notion of tenants who could be disruptive, noisy and difficult to evict (50). Middle and upper income neighbourhoods are also extremely sensitive to the notion of infill. Infill takes much longer to achieve because of the extended negotiations between residents and developers. (221)

Middle income residents tend to be very vigilant and therefore illegal conversions are less possible than in working class neighbourhoods. Consequently, where infill and conversion do occur in these neighbourhoods the units tend to be expensive. For example, Rosedale, an inner-city upper income Toronto neighbourhood, has recently accepted the vertical separation of houses into duplex and triplex units. This is largely the result of economic necessity as it became extremely difficult to sell the large expensive housing stock in this neighbourhood and the residents preferred conversion to demolition. The similar subdivision of large houses has also been accepted by the residents of the Hamilton's Durand neighbourhood.

Conversion and infill tends to proceed at a slow pace in these types of neighbourhoods, and socio-economic impact is minimal. In neighbourhoods where conversion does occur, income levels will for the most part remain high, although somewhat below the average for the neighbourhoods. In fact, high rents are one method that these neighbourhoods employ to exclude 'undesireable residents'.

Converted units will provide increased access for younger, smaller households to traditionally stable family neighbourhoods. Although the neighbourhood will undergo a transition to a more mixed, heterogenous social environment, in

terms of life-cycle, income and educational background, the neighbourhood will probably not be significantly different. Infill units in these neighbourhoods will generally be priced at or above the existing housing stock and therefore socio-economic characteristics will probably be similar to the indigenous residents (29).

The problems encountered in middle and upper income neighbourhoods from conversion and infill will certainly not be as acute or as widespread as those encountered in working class neighbourhoods. Middle and upper income residents have the political power to ameliorate negative effects.

The socio-economic impact of changing land use regulations to permit more infill and conversion of existing houses to occur in middle and upper income older neighbourhoods would be negligible. Infill will continue to serve the same or higher income group than that which exists in the neighbourhood. Conversions will occur largely where there is a desire to meet family needs such as the accommodation of a grandmother in a "granny flat" or the subdivision of a large home to house two elderly couples. The initial cost of the housing and the desire to maximize return will ensure that speculative conversions also serve a relatively high income market.

3.4 The Suburban Neighbourhood

The suburban neighbourhoods are those built largely after World War Two and in particular after 1950. Many of these neighbourhoods are low density planned communities aimed at a very specific socio-economic group. They are frequently located towards the periphery of the urban area and are poorly serviced by public transit. The suburbs can also be categorized by income group into low, middle and high income.

Many suburbs are still inhabited by a large proportion of original settlers who consider their neighbourhood to be a deliberate life style choice. Few of these neighbourhoods have experienced the pressure of the forces of change. Thus residents expect the life style they chose to continue indefinitely. There are some exceptions; e.g., around North York Centre suburban residents are beginning to experience pressure for change from high density commercial development and the introduction of a rapid transit line. In some neighbourhoods sufficient turnover of original residents combined with a housing stock which is beginning to require major upkeep and maintenance expenditures, are resulting in increased awareness of change. The transformation of the suburban neighbourhood is just beginning and will take a decade or two to become a reality.

At present infill development is virtually non-existent in the suburbs with the isolated exception of a number of undeveloped lots which are redesignated for higher density townhouse or apartment development. Conversions frequently occur illegally in the lower to middle income suburbs. These conversions are usually confined to basement apartments to accommodate a family member or in some ethnic areas to facilitate the sharing of one house by two related families. In the low to middle income suburbs where this type of conversion

occurs it is tolerated and accepted by the neighbourhood. There appears to be a greater acceptance in lower income ethnic suburbs than in other areas. In middle to upper income suburbs no deviation from the norm is accepted at all and any illegal conversions are quickly located and eliminated.

Although the physical potential for additional suites in single family dwellings through conversion exists in suburban locations, there is a reluctance on the part of most homeowners. In particular, homeowners who do not require additional income are reluctant to convert a portion of their house. Many homeowners perceive conversions as a threat to their life style. According to Patrick Hare (1981), "accessory apartments are seen as a means of subdividing the American Dream" (14). The prospect of zoning changes that would permit conversions evokes fears of both loss of quality of life and personal finances.

The demand for converted units in the suburbs will also be restricted because of the limited attractiveness of such units for many tenants. Tenants of such units often must rely on public transit for transportation. Many suburban locations are not well enough serviced by public transit to attract tenants who do not own automobiles.

Therefore, given the expected low proportion of converted units within a given suburban neighbourhood, it is unlikely that the predominant social and economic characteristics of such neighbourhoods will be substantially altered. The type of tenants who would be expected in suburban locations will again be dependent on the type of converted units. The physical characteristics of many suburban single family dwellings would best suit the conversion of a basement. Basement suites below grade are a less desirable type of unit and therefore are rented for less than comparable size units above grade. This lower rent structure would certainly attract households with lower family income than the average for the neighbourhood. However, disruptive tenants and transiency will be less of a problem because the preponderance of units will be in owner-occupied single family dwellings.

The socio-economic impact of changing land use regulations to permit more conversion and infill in suburban areas would be negligible. The greatest control exists in the reluctance of residents to change their life style. There are some serious concerns with respect to physical controls which are discussed later, however, the socio-economic impact would be minimal. The likelihood that conversion or infill would introduce a substantially different income or social groups is remote.

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PART 3.5.2

NEIGHBOURHOOD RESISTANCE

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3.5.2 COMMUNITY ATTITUDES TO RESIDENTIAL INTENSIFICATION

1.0 SUMMARY

1.1 Introduction

A key factor which must influence any government policy decisions to encourage intensified use of existing housing stock through infill and conversion is the potential reaction of homeowners living in residential areas where such changes could take place. The potential benefits, dis-benefits and community reactions to infill and conversion, where it has taken place, are well known and have been documented elsewhere. However, if more intensive use is to be made of existing residential stock, conversion and infill must be encouraged to occur outside of areas in which it is presently taking place. Very little research, up to now, has however, shed any light on the darkness which lies beyond in uncharted or unconverted neighbourhoods.

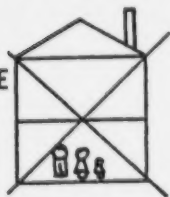
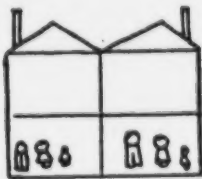
In order to assess potential community reaction to the encouragement of infill and conversion in residential areas which had experienced little of the same, neighbourhoods in five Ontario municipalities were selected for study; i.e.,

- . Toronto
- . North York
- . Hamilton
- . Ottawa
- . Kingston

Two neighbourhoods, one with middle income households and one with higher income households were selected in consultation with municipal planners and officials in each of the municipalities. The areas were not chosen as being representative of all urban neighbourhoods. Rather, they were selected on the basis of having the physical potential for infill and/or conversion, but had experienced very little of this type of change. In each neighbourhood, approximately 50 randomly selected homeowners were personally interviewed on the subject of infill and conversion.

The overall objectives in talking to homeowners were to find out what their reactions would be to changes involving infill and conversion in their neighbourhood. Preferences in types of physical change and socio-demographic changes were explored in detail. Specific attention was focused on five generalized models¹ of conversion and infill; i.e.,

¹ Four of the models (Types 1, 2, 4 and 5) correspond to the models used in other parts of the overall study. Type 3 involving demolition, although initially one of the models chosen for the overall study was dropped subsequent to this survey being undertaken.

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>DESCRIPTION</u>
TYPE ONE			- a house previously occupied by one family is changed into a house which is shared by a number of people who are not related
TYPE TWO			- a house previously occupied by one family is changed into a house which is still occupied by that family but also has a suite or apartment which can be rented out
TYPE THREE			- a house on a larger lot is demolished and replaced by two houses on the same lot
TYPE FOUR			- another house is built on a very large lot where only one house existed before (on a wide lot beside the existing house; on a deep lot behind the existing house; or in a public lane)
TYPE FIVE			- an addition is built onto a house which allows that house to be divided into two houses

A summary of the major findings of this study of homeowners' attitudes and the implications for the encouragement of conversion and infill in residential areas is discussed in the following sections.

1.2 Summary Of Findings

Conceivably, a number of approaches could be used in analyzing the findings of the survey on community or homeowners' attitudes toward conversion and infill. Information was collected on a neighbourhood basis in five municipalities representing different types of urban areas in Ontario. Analysis could, therefore, be done on a neighbourhood or municipality basis. Although an attempt was made to select relatively homogeneous neighbourhoods, the analysis did reveal considerable diversity within neighbourhoods, especially with respect to reactions to conversion and infill. Analysis, strictly on the basis of neighbourhood, would likely obscure important differences amongst homeowners and result in less specific targeting of programs and policies designed to encourage the intensified use of existing residential stock.

It was decided to approach the analysis of community reactions to infill and conversion from the viewpoint of different homeowner types as defined in terms of their reactions to the five models of conversion and infill previously discussed and generalized household characteristics. Essentially, this involved segmenting homeowners into homogeneous groups who were similar in household characteristics and reactions to change in their neighbourhood. This approach had a number of advantages in that information could be pooled across neighbourhoods and not be restricted to only 50 or so cases and secondly, still allowed for the analysis of differences in reactions amongst different neighbourhood types and the five municipalities.

The classification of homeowners resulted in the identification of seven distinct groups. These are briefly described below in terms of reactions to infill and conversion and their household characteristics.

Homeowner/Reaction Types

The seven groups of homeowners which resulted from the analysis were as follows:

. High Tolerance Groups (49% of households)

- 1) Low-income households (9%) - this group consisted mostly of elderly or retired homeowners who would have little objection to infill or conversion in their neighbourhoods, especially if such changes involved more seniors renting apartments in owner-occupied houses or young families with children moving into infill housing in the form of new semi-detached units.
- 2) Median-income households (22%) - mostly family households with children. More family households moving into their areas would cause little objection, especially if new housing would not have to be built. Young, single renters would, however, not be welcomed by these households.

- 3) High-income households (18%) - higher income family households generally seemed more tolerant of a wider range of changes than other groups. This group would even accept some young singles in their neighbourhoods, providing that the physical characteristics and the socio-economic composition of their areas was not changed.

. Moderate Tolerance Groups (27% of households)

- 4) Low-income households (13%) - households in this group were also mostly elderly or near-retirement age. Senior renters are acceptable in their neighbourhoods; new infill housing is not.
- 5) Median-income households (14%) - this is also a family household group. There is some acceptance of changes involving new couples with children in their neighbourhoods and conversion of space in a house into a suite or apartment.

. Low Tolerance Groups (24% of households)

- 6) Median-income households (15%) - mostly empty-nester households in their mid-50's. More seniors moving into their areas would result in relatively little objection, but by and large, no change involving conversion or infill is the preferred choice for this group.
- 7) High-income households (9%) - these are also primarily family households. There is limited acceptance of a few young singles renting in their neighbourhoods, provided that the socio-economic composition of their areas is not changed.

It is evident from the type of households in each of the seven groups that neither income characteristics nor household composition characteristics are good indicators of potential reaction to conversion and infill. On a more generalized level, there is a greater likelihood that low-income and higher income households are more tolerant of change than median or middle-income households, but it would seem precarious to base any policy directions on this basis alone; i.e.,

<u>Tolerance</u>	<u>Household Income</u>		
	<u>Low</u>	<u>Median</u>	<u>High</u>
High	41%	43%	67%
Moderate	59	28	-
Low	-	29	33
	100%	100%	100%

Given these results from the survey it would seem reasonable to conclude that irrespective of neighbourhood type as characterized by income category, some negative response to infill and conversion must be expected. This conclusion is further supported if the distribution of tolerance groups is looked at on a neighbourhood and municipal level.

Tolerance Groups by Area

The five municipalities surveyed in this study were chosen as being more or less representative of different types of municipalities in Ontario; i.e.,

- Toronto - as an older urban area, Toronto was more or less in a class by itself;
- North York - was chosen as a new, more suburban type of community;
- Hamilton - a more working class or blue-collar type of city;
- Ottawa - for some, an example of a non-working class type of city, but definitely, predominately white collar;
- Kingston - a smaller Ontario city.

Differences in the distribution of tolerance groups amongst the municipalities is evident, but not very strong; i.e.,

<u>Tolerance Group</u>	<u>Municipality</u>				
	<u>Toronto</u>	<u>North York</u>	<u>Hamilton</u>	<u>Ottawa</u>	<u>Kingston</u>
High	53%	45%	57%	44%	43%
Moderate	30	30	23	25	29
Low	17	25	20	31	28
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

To some extent, tolerance for infill and conversion is higher in Toronto, an older urban area, and in Hamilton, a blue-collar town. Low tolerance groups are more predominant in North York, a suburban city, Ottawa, a white-collar town, and in Kingston, a smaller municipality. These differences amongst the municipalities may, in some degree, be due to the type of urban area and also due to the degree to which conversion and infill has occurred in these areas in the past. Conversion and infill in both Toronto and Hamilton is a fairly widespread phenomenon and has been occurring for many years.

In each of the municipalities, some differences are also evident between the two types of neighbourhoods surveyed. A major distinction between neighbourhoods in each of the areas was that one contained more higher income homeowners than the other. The lower income neighbourhood was, however, still in the middle income category for that municipality; i.e., not a low income area. Differences are again evident between the two types of neighbourhoods, but not very strong; i.e.,

<u>Tolerance Group</u>	<u>Neighbourhood Type</u>	
	<u>Lower Income</u>	<u>Higher Income</u>
High	53%	44%
Moderate	19	35
Low	<u>28</u>	<u>21</u>
	100%	100%

The lower income or rather moderate income neighbourhoods surveyed were somewhat more likely to contain high tolerance households than were the higher income areas. However, the moderate income areas were also more likely to have more low tolerance households.

It would seem, therefore, that the question of which neighbourhoods are more likely to accept conversion and infill may not be the proper question to ask. Negative reaction is almost equally likely to occur in any type of area for which conversion and infill is a relatively new phenomenon. Reaction to changes is much more a function of specific type of change, both in a physical and social sense, and how that change takes place, than the generalized characteristics of a neighbourhood.

Reactions to Specific Types of Change

A number of different models or examples of conversion and infill were presented to homeowners for their reaction if these types of change were to occur in their neighbourhood. These models, which were previously described, are:

- TYPE ONE - unrelated individuals sharing a house;
- TYPE TWO - conversion of part of a house into an apartment;
- TYPE THREE - infill with a semi-detached unit;
- TYPE FOUR - infill with an additional house on a lot;
- TYPE FIVE - conversion/infill with an addition onto a house.

Variances in objections to these five types were quite pronounced on the part of homeowners in each of the major tolerance groups; i.e.,

Tolerance Group	Would Object To				
	TYPE ONE	TYPE TWO	TYPE THREE	TYPE FOUR	TYPE FIVE
High	17%	7%	21%	21%	10%
Moderate	67	36	52	52	42
Low	81	60	82	84	79

It is apparent that low tolerance households would most likely object to any type of change, and moderate tolerance groups would be more likely to object to certain types of change than others. Overall, however, a definite pattern of objection can be seen in terms of the five models of change; i.e.,

Type Two changes results in the least objection of any type of change. Conversion of part of a house does usually not result in any external physical alterations. It may, however, result in the introduction of different classes of people, and this fear on the part of homeowners is what results in many of the objections. Homeowners want to preserve the family nature of their areas and for some, renters pose a threat to this.

Type Five changes also result in relatively fewer objections than other types. A major reason for objection to this type of change is the potential effect on density in a neighbourhood, especially the physical appearance of crowding. Homeowners do not want their areas to look overcrowded.

Type Three changes are also objectionable to many households because of the potential impact on the physical appearance of a neighbourhood, i.e., looking overcrowded.

Type Four changes, again overcrowding, in terms of physical appearance, is the major source of objection.

Type One changes involve no physical alteration in a neighbourhood, but this type of change produced a considerable amount of objection. As was the case with TYPE TWO changes, the fears are that this type of change will alter the social/family composition of neighbourhoods. Over-crowding is also a concern, but in terms of the social manifestations of overcrowding instead of the visual impact; i.e., more noise, less privacy, etc.

Important Factors Associated with Change

Some types of change, in terms of the five models, will likely produce more objections from homeowners than others. For most homeowners, however, type of change is not the most important factor involved in conversion and infill.

Six factors which were thought to be important in characterizing conversion and infill were ranked by households in terms of their importance in maintaining the general quality of their neighbourhoods; i.e.,

- . the physical type of change in terms of the five models;
- . the type of households moving into units resulting from conversion and infill;
- . the degree of upkeep of converted or infill units;
- . whether or not converted or new units were owner-occupied;
- . the extent to which conversion and infill occurred in a neighbourhood;
- . how additional parking needs were handled in terms of on-street or off-street parking.

The ranking of these factors did not vary a great deal amongst the tolerance groups. Almost all households judged upkeep to be the most important factor and the type of household moving in as the second most important factor affecting the quality of a neighbourhood. The type of change in terms of the five models and parking were ranked as being the least important of the six factors.

The type of upkeep, tenure, parking and extent of change preferred by households is fairly self-evident. The vast majority of households would prefer to see well kept-up homes, more owners, off-street parking and limited change in their areas. Acceptability of different household types did, however, vary.

In general, most homeowners would prefer to see young married couples moving into their neighbourhoods. Seniors are the second choice for most, and young, single persons, last choice. Young couples with children would generally be preferred over young childless couples. New households of similar incomes to households already living in an area are most preferred. No homeowners in any area wanted to see lower income households moving in. Preferences in households did vary somewhat amongst the tolerance groups. These variances were mostly in line with the specific characteristics of a particular tolerance group. Elderly homeowners were more likely to accept more seniors in their areas; family households more families.

Potential Backlash

Reactions and objections to infill and conversion are likely to occur in any area. The form which such reactions will take varies little in terms of specific type of change. If objectional changes, that is, ones which are perceived by homeowners as altering the physical or social characteristics of their neighbourhoods, take place, most homeowners would take a number of actions to protect their domain.

Protesting to city hall, to the authorities, would be a reaction by about one-third of the homeowners if they had objections to changes in their neighbourhood. Elected officials would also be contacted. About 20% of homeowners would organize a neighbourhood resistance group. About one in ten would move. Very few (5%) would take it upon themselves to initiate legal actions against the offending party.

Given the type of problems which objectionable conversion and infill can generate, it is apparent that care must be taken in only encouraging specific types of change which will have minimal impact on a neighbourhood.

1.3 Implications

Low-tolerance households are likely to be found in any residential area or neighbourhood. Any type of change involving conversion and infill will result in at least some objections. If the intensified use of existing residential stock is to be encouraged, great care must be taken in introducing specific types of change in specifically targeted neighbourhoods; i.e.,

Lower income areas with mostly retired or elderly homeowners:

- . least objectionable changes are either seniors of similar incomes moving into apartments in owner-occupied houses, or young married couples with children buying new semi-detached houses of similar quality to existing housing stock
- . most objectionable changes are young single persons sharing the rent for an entire house

Medium income family areas:

- . least objectionable changes are young married couples moving into apartments in owner-occupied houses. The new households should be of similar income or drive similar cars
- . most objectionable changes are either infill housing or young singles sharing a rented house

High income family areas:

- . least objectionable changes involve young married couples and, to a limited extent, young singles renting an apartment in an owner-occupied house
- . most objectionable changes are any changes which would noticeably alter the physical or social characteristics of the neighbourhood

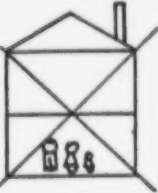
The most acceptable way of encouraging intensified use of existing housing stock in areas, as of yet, untouched by conversion and infill may well be by encouraging homeowners to convert part of their dwellings into apartments. This is the way most conversion has occurred in the past and is a form which causes the least objection of any of the types of change looked at. Infill housing is still something that is not accepted by most homeowners. Slow, limited and unobtrusive change will not raise many problems in most residential areas. On the other hand, however, if a quick change is desired which will put a lot of houses on the for-sale market that can be bought and converted, one or two houses filled with young, low-income singles will do the trick.

2.0 INTRODUCTION

A randomly selected sample of homeowners in five Ontario municipalities were interviewed in order to assess their opinions, views and reactions to various types of change in their neighbourhood. Approximately 50 households were chosen from a high income area and a lower income area in each of the following municipalities:

		<u>Sample Size</u>
Hamilton	(1) lower income area	51
	(2) higher income area	50
Kingston	(1) lower income area	50
	(2) higher income area	50
North York	(1) lower income area	51
	(2) higher income area	48
Toronto	(1) lower income area	50
	(2) higher income area	51
Ottawa	(1) lower income area	51
	(2) higher income area	51

Specific attention was focused on five types of conversion and infill which could provide more rental accommodation or more intensive use of urban infrastructure in a residential area. These types of conversion and infill were characterized by the following generalized models:

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>DESCRIPTION</u>
TYPE ONE			- a house previously occupied by one family is changed into a house which is shared by a number of people who are not related
TYPE TWO			- a house previously occupied by one family is changed into a house which is still occupied by that family but also has a suite or apartment which can be rented out
TYPE THREE			- a house on a larger lot is demolished and replaced by two houses on the same lot
TYPE FOUR			- another house is built on a very large lot where only one house existed before (on a wide lot beside the existing house; on a deep lot behind the existing house; or in a public lane)
TYPE FIVE			- an addition is built onto a house which allows that house to be divided into two houses

Homeowners in each of the areas were asked an extensive number of questions on their views and reactions to the five types of changes if these were to occur in their own neighbourhoods. The importance of various factors associated with conversion and infill were also investigated.

On the basis of reactions to the five types of changes and their own generalized household characteristics, homeowners, were classified into seven groups; i.e.,

. High Tolerance Groups (49% of households)

- 1) Low-income households (9%) - this group consisted primarily of elderly or retired homeowners. Very little objection was voiced to any of the types of infill conversion or infill in their neighbourhoods. This group of households was represented in all the areas studied. They were, however, twice as likely to be living in the lower income areas of Toronto and Hamilton than in the other municipalities.
- 2) Median-income/high-tolerance households (21%) - the second group of high-tolerance households also stated a few objections to any of the types of conversion and infill presented. Households in this group were mostly families with children. They were likely to be living in the low income areas except for Ottawa where representation was slightly higher in the higher income area.
- 3) High-income/high-tolerance households (18%) - the third high-tolerance group of homeowners also consisted primarily of families with children. Household incomes were, however, relatively high. These households were almost equally represented in all the areas studied. Ottawa was the only area where they were more likely to come from the higher income area.

. Moderate Tolerance Groups (27% of households)

- 4) Low-income/moderate households (13%) - homeowners in the moderate-tolerance groups would, for the most part, object to the various types of infill and conversion except for TYPE TWO which involves converting part of a house into a suite or apartment. The low-income group is similar to the first group discussed; i.e., elderly households without children but with somewhat higher incomes. These households are more likely to be found in the higher income areas surveyed, especially Kingston and Toronto.
- 5) Median-income/moderate-tolerance households (14%) - this group would also object to most types of changes in their neighbourhoods except for TYPE TWO changes and TYPE FOUR which involves infill with an additional house on a lot of home development. Most households in this group are families with children. Again, these households were more likely to be living in the higher income areas surveyed. Ottawa was the exception

to this in that households in this group were just as likely to be living in low income as in higher income areas.

. Low-Tolerance Groups (24% of households)

- 6) Median-income/low-tolerance households (15%) - the low-tolerance homeowner groups would generally object to any type of conversion and infill in their neighbourhoods. The median income group consists mostly of households in their mid-50s: empty-nester households. These households are more likely to be living in the higher income areas of Hamilton and the lower income areas of Kingston, North York and Ottawa.
- 7) High-income/low-tolerance households (9%) - this group consists primarily of very high income, family households. Reaction to any type of conversion or infill in their neighbourhoods would be quite negative. Homeowners in this group are more likely to be living in the lower income areas of North York and Ottawa.

2.1 Outline of the Report

Each of the seven groups of homeowners is discussed in the following sections of this report. A description of each group is presented in terms of:

- . reactions to each of the five types of conversion and infill;
- . preferences in factors associated with conversion and infill;
- . general household characteristics;
- . neighbourhood characteristics.

Implications of this study for encouraging the increased supply of rental housing through conversion and additional new housing with infill in existing residential areas is discussed in the final section of the report.

3.0 LOW INCOME/HIGH-TOLERANCE HOUSEHOLDS (9%)

Of the three groups of households who reacted relatively favourably to the various types of infill and conversion housing, this group is distinguished by the following characteristics:

- . very little objection to any of the infill and conversion types;
- . a median respondent age of 64 years and a median income of \$13,500.

This group of elderly homeowners is discussed below in terms of:

- . specific reactions to the given types of conversion and infill;
- . preferences in factors associated with conversion and infill;
- . general household characteristics;
- . present neighbourhood characteristics.

3.1 Reactions

Overall reaction to TYPE ONE change in their neighbourhood;

. object	4%
. depends	21
. no objection	68
. don't know	6

The few concerns and objections raised by this group were primarily centered on the types of people who would be moving in. Of particular concern were transients and unruly types who would cause disturbances.

If the possible negative consequences of this type of change were to occur, the most common action that would be taken by those expressing concerns would be to call their alderman or MPP or protest to city hall.

Few households (6%) in this group saw any advantage to this type of change aside from the fact that more housing would result.

Overall reaction to TYPE TWO change in their neighbourhood;

. object	2%
. depends	6
. no objection	89
. don't know	2

This type of change caused extremely little negative reaction with this group of households, although only 6% saw any advantage of this type of change in their neighbourhood; i.e., perhaps more families moving in.

Overall reaction to TYPE THREE change in their neighbourhood;

. object	11%
. depends	19
. no objection	66
. don't know	4

Objections and concerns with this type of change were with the physical attributes of the new units; i.e.,

- . if the lot were too small (6%)
 - . if the design was out of character (6%)
 - . if the area started to look crowded (6%)
 - . if open green areas were reduced (4%)
 - . if too much noise and disturbance resulted (9%)
- some households would likely object.

If objectionable changes did occur, those households who expressed some concern would protest to elected officials or city hall. About one-half would, however, do nothing.

One in four households in this group saw some advantages to this type of change in their neighbourhood; i.e.,

- . more families moving in (13%)
 - . newer houses (10%)
 - . more tax revenue (8%)
 - . more attractive area (8%)
-

Overall reaction to TYPE FOUR change in their neighbourhood;

. object	11%
. depends	9
. no objection	72
. don't know	8

The few objections to this type of change were again concerned with the possible physical implications for the neighbourhood; i.e.,

- . making the area look too crowded (6%)
- . no room to park cars (6%)

Only 8% of households saw any possible advantage in this type of change in that families would move into the area.

Overall reaction to TYPE FIVE change in their neighbourhood;

. object	4%
. depends	9
. no objection	83
. don't know	4

This type of change resulted in very few objections or concerns. That concern that was expressed was not focused on any one particular thing.

About 20% of the households saw some advantages in this type of change, namely:

- . more families moving in (11%)
- . area more physically attractive (5%)
- . houses renovated (5%)

3.2 Preferences

Overall ranking of factors associated with conversion and infill:

	<u>Average Rank</u> <u>(6=high)</u>
. degree of upkeep	4.5
. type of households moving in	4.0
. tenure of new units	3.6
. how parking is handled	3.0
. extent in an area	2.9
. type of change	2.3

The external appearance or the degree of upkeep and the type of households moving into converted or infill housing are the most important factors to this group of households in maintaining or improving the general quality of a neighbourhood.

Preferences in household types moving in:

	<u>First Choice</u>	<u>Second Choice</u>
. young married couples preferred by	49%	30%
. seniors preferred by	32	38
. young single persons preferred by	0	11%
. young couples with children preferred by	40%	
. young couples without children preferred by	26%	
. higher income households preferred by	21%	
. lower income households preferred by	0	
. similar income households preferred by	51	
. more owners preferred by	87%	
. more renters preferred by	2	

Even though 20% to 30% of the households in this group could not state a definite preference in terms of household types, it is fairly evident that low income single persons who would rent are not preferred as in-migrants to their neighbourhood. Most preferred seems to be young couples with kids of similar income to those already in the area, who would buy a house.

Preferences in type of change:

	<u>Average Rank (1=high)</u>
. TYPE TWO - conversion	2.2
. TYPE THREE - semi	2.2
. TYPE FOUR - infill	2.7
. TYPE FIVE - addition	3.1
. TYPE ONE - shared	3.6

Households in this group are quite diffuse in their ranking of the various types of conversion and infill. The most agreement was that shared accommodation (TYPE ONE) was the least preferred and that building semi-detached units (TYPE THREE) was the second most preferred type of change.

3.3 Household Characteristics

•	•	average household size	2.0 persons
•	•	children in household	6%
		- yes	94
		- no	
•	•	share present accommodation	9%
		- yes	91
		- no	
•	•	present marital status	13%
		- single	57
		- married	4
		- separated	26
		- widowed	
•	•	average household income	\$13,500./annum
•	•	average age of respondent	64 years
•	•	sex of respondent	51%
		- male	49%
		- female	

• Most households can be characterized as elderly homeowners living on retirement income. About one in 10 has someone outside their immediate family sharing their house.

3.4 Neighbourhood Characteristics

•	•	average length of residence	19.7 years
•	•	degree of change in area since first moved here:	
		- great deal	- 17%
		- somewhat	- 28
		- not at all	- 53
•	•	very noticeable changes:	
		- houses being renovated	- 28%
		- new apartment buildings	- 23
		- more ethnic groups	- 23
		- more children	- 21

. changes in terms of the types of conversion and infill:

- TYPE ONE	- shared	- 10%
- TYPE TWO	- conversion	- 14
- TYPE THREE	- semi	- 6
- TYPE FOUR	- infill	- 2
- TYPE FIVE	- addition	- 11

Most households in the low-income/high-tolerance group have lived at their present address for at least 20 years.

About one-half the households live in areas experiencing some change in the form of different ethnic groups moving in or physical changes in buildings. Whether these changes are for the better or worse depends on the type of change. Those who see a change for the better cite primarily renovations. Those who see a change for the worse are mostly concerned about different types of people moving in.

Changes in terms of the five types of conversion and infill had been noticed by about one-third of the households. Conversions were much more common in those areas than any new infill housing.

4.0 MEDIAN-INCOME/HIGH-TOLERANCE HOUSEHOLDS (21%)

The second group of high-tolerance households are distinguished by the following characteristics:

- . little objection to any of the conversion types but some objection to new infill housing;
- . family households of average income.

Characteristics of this group are discussed below.

4.1 Reactions

Overall reaction to TYPE ONE change in their neighbourhood;

. object	10%
. depends	28
. no objection	61
. don't know	1

Concerns with TYPE ONE change are primarily with the type of households moving in, especially if they are social misfits or renters (18%). The major fear is that those household types would let properties run-down and cause disturbances (18%). Potential parking problems were also noted (8%).

Households expressing these concerns would most likely protest to local government authorities (37%). A small number (17%) would organize a neighbourhood resistance.

A few households (12%) saw some advantage in this type of change in that more families might move in.

Overall reaction to TYPE TWO change in their neighbourhood;

. object	6%
. depends	10
. no objection	82
. don't know	2

No specific concerns were voiced on TYPE TWO changes.

Some households (12%) thought this type of change to be an advantage to their area in that more families might move in.

Overall reaction to TYPE THREE change in their neighbourhood;

. object	33%
. depends	11
. no objection	54
. don't know	2

Over one-third of the households in this group would object to TYPE THREE changes for two major reasons:

- . it would change the physical character of their neighbourhood (21%); and
- . it would make the area look too crowded (11%)

Reactions on the part of those objecting to this type of change would be:

- . call alderman, M.P.P. (27%)
- . protest to city hall (27%)
- . organize resistance (27%).

Again, a few (12%) saw some advantage with this type of change in that more families might move in.

Overall reaction to TYPE FOUR change in their neighbourhood;

. object	23%
. depends	11
. no objection	62
. don't know	4

Objections to this type of infill were primarily the following:

- . it would change the physical character of their neighbourhood (8%)
- . it would make the area look too crowded (8%)
- . it would reduce open space (5%).

Reactions on the part of those concerned and perceived advantages of this type of change were similar to previously discussed types.

Overall reaction to TYPE FIVE change in their neighbourhood;

. object	10%
. depends	17
. no objection	70
. don't know	3

The few objections and concerns expressed with this type of change were mainly with the physical impact on the neighbourhood (7%) and potential parking problems (6%).

4.2 Preferences

Overall ranking of factors associated with conversion and infill:

	Average Rank (6=high)
. degree of upkeep	4.9
. type of households moving in	4.2
. extent in an area	3.8
. tenure of new units	3.5
. how parking is handled	3.2
. type of change	2.7

Of most importance to the majority of households in this group is the appearance or upkeep of any converted or infill houses. Type of households moving into an area and the extent to which infill and conversion takes place in an area are also of high importance.

Preferences in household types moving in:

	First Choice	Second Choice
. young married couples preferred by	99%	0%
. seniors preferred by	0	100
. young single persons preferred by	0	0
. young couples with children preferred by	65%	
. young couples without children preferred by	17	
. higher income households preferred by	16%	
. lower income households preferred by	0	
. similar income households preferred by	73	
. more owners preferred by	94%	
. more renters preferred by	8	

Although households in this group are quite clear in their preferences for young marrieds as new households in their area, about 20% were undecided on their preference for more children and 10% were undecided on the question of income.

Preferences in type of change:

	Average Rank (1=high)
. TYPE TWO - conversion	2.3
. TYPE FIVE - addition	2.8
. TYPE ONE - shared	3.0
. TYPE THREE - semi	3.5
. TYPE FOUR - infill	3.6

Preferences in type of change are fairly consistent with objections. Changes involving conversions or minimal physical change are generally preferred to changes involving infill or new housing.

4.3 Household Characteristics

. average household size		3.5 persons
. children in household	- yes	61%
	- no	39
. share present accommodation	- yes	13%
	- no	87
. present marital status	- single	4%
	- married	81
	- separated	7
	- widowed	8
. average household income		\$32,500./annum
. average age of respondent		42 years
. sex of respondent	- male	44%
	- female	56

Households in this high-tolerance group are mostly middle-aged families with children. Annual household income averages \$32,500.; 13% of these households share their home with unrelated persons.

4.4 Neighbourhood Characteristics

. average length of residence		7.0 years
. degree of change in area since first moved here:		
	- great deal	8%
	- somewhat	40
	- not at all	51
. very noticeable changes:		
	- houses being renovated	50%
	- new apartment buildings	20
	- more children	18
	- more ethnic groups	15
	- more higher income groups	13
. changes in terms of the types of conversion and infill:		
	- TYPE ONE - shared	15%
	- TYPE TWO - conversion	20
	- TYPE THREE - semi	9
	- TYPE FOUR - infill	4
	- TYPE FIVE - addition	13

About one-half the households in this group have lived in their present home for less than 7 years. In the time they have lived in their areas, renovations and upgrading of houses has been most noticeable. Those who have noticed changes feel that these are for the better because houses are being fixed up (13%) or better quality people are moving in (15%).

Conversion and infill is also occurring in some areas. About 40% of households reported these types of changes in their neighbourhoods. Conversion and shared houses were much more frequently mentioned than new infill housing.

5.0 HIGH-INCOME/HIGH-TOLERANCE HOUSEHOLDS (18%)

The last group of high-tolerance households are primarily distinguished by the following characteristics:

- . relatively little objection to the types of change presented, except for shared accommodation and building semi-detached units;
- . high family incomes averaging \$40,000.

Specific reactions to types of conversion and infill and other characteristics of this group are discussed below.

5.1 Reactions

Overall reaction to TYPE ONE change in their neighbourhood;

. object	22%
. depends	21
. no objection	53
. don't know	4

The major objection to this type of change was that it would introduce a different and lower class of people into their neighbourhoods (20%). Those households concerned about this possible consequence would either call their alderman or M.P.P. (28%) or organize neighbourhood resistance (28%) if an objectionable change of this type occurred.

Few (9%) households saw any advantage of this type of change in their neighbourhood.

Overall reaction to TYPE TWO change in their neighbourhood;

. object	9%
. depends	13
. no objection	74
. don't know	4

The few concerns that were raised with TYPE TWO changes were that homes would not be kept up (5%) and that a lower class of people would move in (5%).

One in ten households saw some advantage in this type of change in that more families might move into their area.

Overall reaction to TYPE THREE change in their neighbourhood;

. object	18%
. depends	22
. no objection	53
. don't know	7

Depending on the design of the housing (21%) and how well it fit in with the rest of the neighbourhood, those households with some objection felt that this type of change might alter the physical character of their neighbourhood (11%) or make the area look crowded (8%).

Households concerned about these effects would either call their elected officials (25%) or organize a resistance (22%) if objectionable changes of this type occurred.

One-third of the households saw some advantages of this type of change in their neighbourhood; i.e.,

- . it could make area more attractive (17%)
 - . more families could move in (14%)
 - . there would be newer houses in the area (10%).
-

Overall reaction to TYPE FOUR change in their neighbourhood;

. object	14%
. depends	18
. no objection	62
. don't know	6

A few objections were raised that this type of change would make an area look crowded (12%).

About 25% of households saw some advantages in this type of change; i.e.,

- . it could make the area look nicer (10%)
- . there would be newer and more houses (16%)
- . more families could move in (8%)

Overall reaction to TYPE FIVE change in their neighbourhood;

. object	11%
. depends	16
. no objection	70
. don't know	3

The few objections and concerns expressed were mostly related to possible design implications, the effect on parking and effects on the physical appearance of the neighbourhood.

Advantages in this type of change were seen by about 30% of the households. These advantages included:

- . more housing (10%)
- . more families moving in (10%)
- . nicer looking area (9%)

5.2 Preferences

Overall ranking of factors associated with infill and conversion:

	Average Rank (6=high)
. degree of upkeep	5.0
. type of household moving in	4.0
. extent in an area	3.9
. tenure of new units	3.9
. how parking is handled	3.1
. type of change	2.9

The external appearance or degree of upkeep is by far the most important factor to the majority of households in this group. Household type, the extent of conversion and infill in an area and whether or not units are owner-occupied are almost of equal but of secondary importance.

Preferences in household types moving in:

	<u>First Choice</u>	<u>Second Choice</u>
. young married couples preferred by	48%	21%
. seniors preferred by	21	0
. young single persons preferred by	3	46
. young couples with children preferred by	50%	
. young couples without children preferred by	17	
. higher income households preferred by	19%	
. lower income households preferred by	1	
. similar income households preferred by	60	
. more owners preferred by	89%	
. more renters preferred by	0	

About one-third of the households were non-committal in their preferences of household type; 20% were non-committal on income and 10% on tenure. Although about one-half would prefer to see more couples moving into their neighbourhood as a first choice, slightly less than one-half preferred singles as a second choice.

Preferences in type of change

	<u>Average Rank (1=high)</u>
. TYPE TWO - conversion	2.4
. TYPE FIVE - addition	2.9
. TYPE ONE - shared	3.2
. TYPE FOUR - infill	3.2
. TYPE THREE - semi	3.4

Semi-detached and infill housing are the least preferred types of change by most households. This is fairly consistent with their stated objections to the various types.

5.3 Household Characteristics

. average household size		3.4 persons
. children in household	- yes	63%
	- no	37
. share present accommodation	- yes	17
	- no	83
. present marital status	- single	8
	- married	83
	- separated	3
	- widowed	4
. average household income		\$40,300./annum
. average age of respondent		39 years
. sex of respondent	- male	46%
	- female	54%

Households in this group are quite similar to the previous group; i.e., middle-aged family household with children. The major difference in household characteristics is that this group has a higher average income.

5.4 Neighbourhood Characteristics

. average length of residence		8.1 years
. degree of change in area since first moved here:		
- great deal		8%
- somewhat		43
- not at all		48
. very noticeable changes:		
- houses being renovated		43%
- new apartment buildings		18
- more children		14
- more ethnic groups		14
- more higher income groups		12
. changes in terms of the types of conversion and infill:		
- TYPE ONE - shared		16%
- TYPE TWO - conversion		14
- TYPE THREE - semi		16
- TYPE FOUR - infill		9
- TYPE FIVE - addition		12

Changes noticed by most households are houses being fixed up and renovated in their areas. Specific types of conversions and infill housing have been noted by relatively few households.

6.0 LOW-INCOME/MODERATE-TOLERANCE HOUSEHOLDS (13%)

Two household groups can be described as moderately tolerant of various types of conversion and infill. The first of these groups is similar in household characteristics to the low-income/high-tolerance households in household size and age. Income is higher in this group than the high-tolerance group but still relatively low in comparison to other groups.

The low-income/moderate-tolerance households are distinguished by their degree of objection to all types of conversion and infill except to converting part of a house into a suite.

6.1 Reactions

Overall reaction to TYPE ONE change in their neighbourhood;

. object	64%
. depends	11
. no objection	24
. don't know	1

Households in this group generally objected to this type of change for the following reasons:

- . a different and lower class of people would move in (15%)
- . too much noise and disturbance would result (17%)
- . parking problems would result (17%)
- . houses would not be kept up (14%)
- . the family character of the neighbourhood would change (12%).

If objectionable changes of this type were to occur, the most common reaction on the part of those concerned would be to protest to elected officials or organize a resistance (39%); 22% would go as far as to sell their house.

No advantages were seen for this type of change in their neighbourhood.

Overall reaction to TYPE TWO change in their neighbourhood;

. object	38%
. depends	15
. no objection	46
. don't know	1

Concern with the effect of this type of change was mostly limited to the following things:

- . a different and lower class of people would move in (11%)
- . too much noise and disturbance would result (9%)
- . parking problems would result (9%).

Reactions to negative changes on the part of those concerned would be mostly limited to protesting to elected officials (43%).

Overall reaction to TYPE THREE change in their neighbourhood;

. object	56%
. depends	9
. no objection	30
. don't know	5

The negative reaction to this type of change was quite strong. The reasons are similar to those given by other groups; the difference is one of degree:

- . this type of change would alter the physical character of their neighbourhood (21%)
- . it would make their area look too crowded (20%)

If objectionable changes of this type occurred, concerned households would either protest to city hall (27%) or organize (20%); 12% would move out.

About 25% of the households saw some advantage to this type of change in their neighbourhood. The most frequently mentioned advantage was that newer houses would be introduced to their area (9%).

Overall reaction to TYPE FOUR change in their neighbourhood;

. object	55%
. depends	12
. no objection	32
. don't know	1

Objections to this type of change are similar to objections raised about the other changes involving infill housing; i.e.,

- . it would make the area look crowded (21%)
- . it would change the physical character of neighbourhood (12%).

Protesting to city hall (35%) and organizing neighbourhood resistance (23%) were the two most common reactions to objectionable changes of this type on the part of those concerned about this type of change.

Overall reaction to TYPE FIVE change in their neighbourhood;

. object	42%
. depends	18
. no objection	36
. don't know	4

Concern with the possible effects of this type of change varied considerably across households. Most frequently mentioned were concerns related to physical and social consequences; i.e.,

- . it would make the area look too crowded (12%)
- . parking and traffic problems would result (12)
- . it would change the family character of the neighbourhood (11%).

6.2 Preferences

Overall ranking of factors associated with conversion and infill:

	Average Rank (6=high)
. degree of upkeep	4.8
. household type moving in	3.9
. tenure of new units	3.9
. extent of change in an area	3.4
. how parking is handled	3.2
. type of change	2.4

As with groups previously discussed, degree of upkeep of any conversion or infill housing is the most important factor to most of the low-income/moderate-tolerance households. This group of households is also similar to the low-income/high-tolerance group in the importance attached to the type of people moving into an area and whether or not converted or infill houses are owner-occupied.

Preferences in household types moving in:

	First Choice	Second Choice
. young married couples preferred by	17%	46%
. seniors preferred by	44	2
. young single persons preferred by	2	15
. young couples with children preferred by	24%	
. young couples without children preferred by	32	
. higher income households preferred by	20%	
. lower income households preferred by	0	
. similar income households preferred by	58	
. more owners preferred by	89%	
. more renters preferred by	3	

Very noticeable with this group of households is their uncertainty in specifying preferred household types. Around 40% had no definite preferences in family type; 23% had no preferences for household income.

Those who did state a preference, for the most part, would prefer to see more seniors of similar incomes to themselves; that is, people like themselves moving into their neighbourhood.

Preferences in type of change:

	Average Rank (1=high)
. TYPE TWO - conversion	2.6
. TYPE FIVE - addition	2.7
. TYPE FOUR - infill	2.8
. TYPE THREE - semi	3.0
. TYPE ONE - shared	3.8

Preferences in various types of change are not very distinct with this group of households. It is apparent, however, that changes involving shared accommodations are the least preferred.

6.3 Household Characteristics

. average household size		1.9 persons
. children in household	- yes	2%
	- no	98
. share present accommodation	- yes	6
	- no	94
. present marital status	- single	6
	- married	67
	- separated	6
	- widowed	21
. average household income		\$26,300./annum
. average age of respondent		63 years
. sex of respondent	- male	53%
	- female	47

Characteristics of this group are quite similar to the low-income/high-tolerance group. Most households are married couples near retirement age. Average household income is somewhat lower than most other groups due to the number of retired persons in this group of households.

6.4 Neighbourhood Characteristics

. average length of residence		20.9 years
. degree of change in area since first moved here:		
	- great deal	8%
	- somewhat	39
	- not at all	53
. very noticeable changes:		
	- houses being renovated	35%
	- new apartment buildings	20
	- more seniors	17
	- more ethnic groups	17
	- more children	11
. changes in terms of the types of conversion and infill:		
	- TYPE ONE - shared	2%
	- TYPE TWO - conversion	5
	- TYPE THREE - semi	11
	- TYPE FOUR - infill	3
	- TYPE FIVE - addition	8

Most households in this group appear to be living in fairly stable neighbourhoods. Very few report any conversion or infill activities in their areas. The changes that have been occurring are primarily limited to renovation of houses. Most feel that these changes are for the better.

Interestingly, about one-quarter of the households noted more elderly in their areas. Whether seniors are actually moving in or this is due to the aging of the population in those areas is difficult to say solely on the basis of the questions asked.

7.0 MEDIAN-INCOME/MODERATE-TOLERANCE HOUSEHOLDS (14%)

The second moderate-tolerance group consists primarily of middle-aged family households with more or less average incomes. These households are similar to the previously discussed moderate-tolerance group in the degree to which they object to various types of infill and conversion. Their negative reaction to building an additional house on a lot (TYPE FOUR) is, however, not as strong.

7.1 Reactions

Overall reaction to TYPE ONE change in their neighbourhood;

. object	69%
. depends	11
. no objection	18
. don't know	2

Objections to this type of change were primarily related to possible social effects on a neighbourhood. Of particular concern were the following:

- . a different and lower class of people would be moving in (35%);
- . the family atmosphere of their neighbourhood would be altered (18%);
- . the character of their neighbourhood would change (18%);
- . unruly tenants might possibly move in (10%).

Households expressing these concerns would either complain to their elected representatives (20%) or protest to city hall (29%). Few (8%) saw any advantage of this type of change in their neighbourhood.

Overall reaction to TYPE TWO change in their neighbourhood;

. object	34%
. depends	10
. no objection	55
. don't know	1

Relatively few households in this group would object to this type of change unless unruly tenants moved in (7%) or the property was allowed to run down (7%). If objectionable changes of this type were to occur, the most common reaction on the part of those would be to protest to city hall (33%).

Overall reaction to TYPE THREE change in their neighbourhood;

. object	49%
. depends	6
. no objection	41
. don't know	4

About one-half the households in this group objected outright to this type of change in their neighbourhood. Objections were for the most part based on two possible effects that this type of change would have:

- . it would change the physical character of the neighbourhood (21%)
- . the area would look too crowded (25%).

Possible traffic and parking problems were mentioned by 13% of households.

The most frequently mentioned reaction on the part of those concerned would be to protest to city hall (45%) if objectionable changes of this type occurred.

About 30% of the households saw some advantage in this type of change in their neighbourhood namely:

- . more newer houses (13%);
 - . their area would be more attractive (10%);
 - . more families might move in (10%).
-

Overall reaction to TYPE FOUR change in their neighbourhood;

. object	30%
. depends	6
. no objection	62
. don't know	2

Objections to this type of change were similar to infill with semi-detached housing, though not as strong; i.e.,

- . it would change the physical character of the neighbourhood (11%);
- . the area would look too crowded (11%);
- . traffic and parking problems would result (10%).

Reactions on the part of concerned households were similar to previously noted reactions to objectionable types of change.

Overall reaction to TYPE FIVE changes in their neighbourhood;

. object	56%
. depends	16
. no objection	28
. don't know	0

Households objecting to this type of change were concerned about a number of physical and social effects on their neighbourhood; i.e.,

- . it would change the physical character of their neighbourhood (14%);
- . the area would look too crowded (14%);
- . traffic and parking problems would result (18%);
- . different and lower classes of people would move in (14%).

Protesting to city hall was again the most frequently mentioned (40%) reaction of concerned households if objectionable changes of this type occurred in their neighbourhood.

A few households (8%) thought this type of change would be advantageous to their area if more families could move in.

7.2 Preferences

Overall ranking of factors associated with conversion and infill:

	Average Rank (6=high)
. degree of upkeep	4.7
. household type moving in	4.5
. extent of change in area	3.8
. tenure of new units	3.4
. how parking is handled	2.9
. type of change	2.4

Although most households in this group consider the upkeep of a converted or infill unit to be the most important factor, the types of households moving in are considered almost as important. The physical type of change itself is considered the least important factor by most households.

Preferences in household types moving in:

	First Choice	Second Choice
. young married couples preferred by	100%	0%
. seniors preferred by	0	0
. young single persons preferred by	0	0
. young couples with children preferred by	70%	
. young couples without children preferred by	16%	
. higher income households preferred by	20%	
. lower income households preferred by	0	
. similar income households preferred by	70	
. more owners preferred by	99%	
. more renters preferred by	0	

The households in this group are unanimous in their preferences for new households moving into their neighbourhood. Young married couples with children and household incomes similar to existing households in the neighbourhood; new households who would buy instead of rent are the most preferred. Elderly households or seniors are a strong second choice and all households are agreed that young singles would be the last choice in new households in their area.

Preferences in type of change:

	Average Rank (1=high)
. TYPE FOUR - infill	2.0
. TYPE TWO - conversion	2.6
. TYPE FIVE - addition	3.1
. TYPE THREE - semi	3.2
. TYPE ONE - shared	3.9

In contrast to previously discussed groups, conversions involving a suite in a house is not the most preferred type of change. A higher preference ranking is given to infill with an additional house on a large lot. The low preference shown for shared accommodation is, however, consistent with other groups of households.

7.3 Household Characteristics

. average household size		3.2 persons
. children in household	- yes	61%
	- no	39
. share present accommodation	- yes	6
	- no	94
. present marital status	- single	1
	- married	87
	- separated	4
	- widowed	7
. average household income		\$35,000./annum
. average age of respondent		43 years
. sex of respondent	- male	54%
	- female	46

The median-income/moderate-tolerance households are very similar to median-income/high-tolerance households in their household and family characteristics; i.e., middle-aged, families with children. The only major differences appears to be that households who share their house with unrelated persons are less likely to exist in this group than in the high-tolerance group; i.e., 6% vs. 13%, respectively.

Characteristics of this group are quite similar to the low-income/high-tolerance group. Most households are married couples near retirement age. Average household income is somewhat lower than most other groups due to the number of retired persons in this group of households.

7.4 Neighbourhood Characteristics

. average length of residence	8.2 years
. degree of change in area since first moved here:	
- great deal	14%
- somewhat	47
- not at all	39
. very noticeable changes:	
- houses being renovated	42%
- more children	18
- new apartment buildings	17
- more ethnic groups	14
- higher income households	11
. changes in terms of the types of conversion and infill:	
- TYPE ONE - shared	10%
- TYPE TWO - conversion	14
- TYPE THREE - semi	11
- TYPE FOUR - infill	11
- TYPE FIVE - addition	11

Over one-half the households in this group are living in areas experiencing at least some change in the form of houses being fixed up or more families with children moving in. Most households feel that these changes are for the better.

Conversion and infill have not been noticed by many households, however, all changes of these types are reported almost to the same extent.

8.0 MEDIAN-INCOME/LOW-TOLERANCE HOUSEHOLDS (15%)

The remaining two groups of households can be described as low-tolerance groups. Objections to all types of conversions and infill in their neighbourhoods were quite high.

The first of the low-tolerance groups consists mostly of elderly couples or empty-nester households with average household income.

8.1 Reactions

Overall reaction to TYPE ONE change in their neighbourhood;

. object	84%
. depends	5
. no objection	11
. don't know	0

Very few households in this group care to see this type of change in their neighbourhood. Specific effects seen as resulting from houses being shared by unrelated individuals include:

- . a different and lower class of people would move in (35%);
- . it would change the family character of the neighbourhood (48%);
- . noise and disturbances would result (12%);
- . houses would become run-down (20%);
- . traffic and parking problems would arise (20%).

Concerns about the social implications of this type of change are quite a bit stronger than the physical implications.

Reactions on the part of concerned households over a variety of actions. Most (35%) would protest to city hall; 20% would either call their elected representative and 20% would organize neighbourhood resistance. None saw any advantage to this type of change in their neighbourhood.

Overall reaction to TYPE TWO change in their neighbourhood;

. object	22%
. depends	21
. no objection	53
. don't know	4

Objections to conversion of part of a house into a suite, although quite high, were less frequent than to other types of changes. Reasons for objections were mostly related to perceived social effects of this type of change; i.e.,

- . the family character of the neighbourhood would change (33%);
- . lower income people would move in (15%);
- . more noise and disturbance would result (11%);
- . traffic and parking problems would result (21%).

The most common reaction on the part of concerned households would be to protest to city hall (39%).

Overall reaction to TYPE THREE change in their neighbourhood;

. object	84%
. depends	4
. no objection	11
. don't know	1

Households in this group object strongly to this type of change. The following possible effects on their neighbourhoods were more frequently mentioned:

- . it would make their area look too crowded (28%);
- . it would change the physical character of their area (19%);
- . the single-family character of their neighbourhood would be changed (12%);
- . more noise and disturbance would result (15%).

Reactions of concerned households would be similar to those mentioned for other types of change; 16% would go as far as moving out.

Overall reaction to TYPE FOUR change in their neighbourhood;

. object	87%
. depends	5
. no objection	8
. don't know	0

Objections to putting an additional house on a lot were basically the same as for the other type of infill housing; i.e.,

- . the area would look too crowded (35%);
- . the physical character of the area would be changed (15%);
- . more noise and disturbance would result (11%).

The most common reaction of households would be to complain to city hall (32%); 30% would organize neighbourhood resistance; 18% would move away.

Overall reaction to TYPE FIVE change in their neighbourhood;

. object	85%
. depends	4
. no objection	9
. don't know	1

The fear with this type of change is that it would alter both the physical and social character of their neighbourhoods; i.e.,

- . it would change the physical character of the area (17%);
- . it would change the single-family character (23%);
- . the area would look too crowded (13%);
- . traffic and parking problems would result (17%);
- . too much noise and disturbance (11%);
- . the family atmosphere of the area would change (27%).

The response to objectionable changes of this type would be similar to those mentioned previously.

8.2 Preferences

Overall ranking of factors associated with conversion and infill:

	Average Rank (6=high)
. degree of upkeep	4.5
. household type moving in	4.2
. tenure of units	4.0
. extent of change	3.8
. how parking is handled	3.0
. type of change	2.9

The ranking of factors associated with the various types of infill and conversion by households in this group is not much different from the ranks

given by other household groups. Upkeep and household type are judged to be most important; type of change, the least important.

Preferences in household types moving in:

	<u>First Choice</u>	<u>Second Choice</u>
. young married couples preferred by	99%	0%
. seniors preferred by	0	100
. young single persons preferred by	1	0
. young couples with children preferred by	59%	
. young couples without children preferred by	19	
. higher income households preferred by	28%	
. lower income households preferred by	0	
. similar income households preferred by	67	
. more owners preferred by	97%	
. more renters preferred by	0	

Preferences in types of households moving into their area are quite clearly young married couples of similar or higher incomes to households already in the area and who would buy instead of rent. About 20% are undecided on their preference for more children. This probably depends on the length of lease on which the children are kept.

Preferences in type of change:

	<u>Average Rank (1=high)</u>
. TYPE TWO - conversion	2.0
. TYPE FIVE - addition	2.9
. TYPE ONE - shared	3.1
. TYPE THREE - semi	3.2
. TYPE FOUR - infill	3.7

Households in this group are rather varied in their preferences in type of conversion or infill. Converting part of a house into a suite is preferred over other types and changes involving new units in an area are generally least preferred.

8.3 Household Characteristics

. average household size		2.7 persons
. children in household	- yes	36%
	- no	64
. share present accommodation	- yes	8
	- no	92
. present marital status	- single	4
	- married	71
	- separated	5
	- widowed	19
. average household income		\$33,400./annum
. average age of respondent		55 years
. sex of respondent	- male	44%
	- female	56

Most households in this low-tolerance group can be described as elderly couples in the empty-nester stage of the life-cycle. Household income is similar to other medium-income groups.

8.4 Neighbourhood Characteristics

. average length of residence		15.9 years
. degree of change in area since first moved here:		
	- great deal	15%
	- somewhat	39
	- not at all	47
. very noticeable changes:		
	- houses being renovated	41%
	- new apartment buildings	29
	- more ethnic groups	20
	- more children	17
	- more elderly	12
	- higher income households	12
. changes in terms of the types of conversion and infill:		
	- TYPE ONE - shared	11%
	- TYPE TWO - conversion	12
	- TYPE THREE - semi	1
	- TYPE FOUR - infill	4
	- TYPE FIVE - addition	8

Slightly over half the households in this group live in areas experiencing at least some change. Renovations are the most frequently noted change, followed by new apartment buildings.

About one-half the households mentioning these and other changes feel that they are for the better, especially if changes involves houses being fixed up.

9.0 HIGH-INCOME/LOW TOLERANCE HOUSEHOLDS (9%)

The second of the two low-tolerance group of households would also object to any of the types of infill and conversion in their areas. This group, however, differs from the other low-tolerance group in their household characteristics. Households in this group consist primarily of middle-aged families with children; average household income is the highest of any group.

9.1 Reactions

Overall reactions to TYPE ONE change in their neighbourhood;

. object	77%
. depends	9
. no objection	11
. don't know	3

Objections were raised to this type of change mainly because of potential adverse consequences to the social character of their neighbourhood; i.e.:

- . it would change the family nature of an area (28%);
- . different and lower class of people would move in (30%);
- . too much noise and disturbance would result (11%).

Most of the concerned households would protest to city hall (34%) if objectionable changes of this type occurred in their area. None saw any advantages in this type of change in their area.

Overall reactions to TYPE TWO change in their neighbourhood;

. object	62%
. depends	6
. no objection	28
. don't know	4

Similar objections were raised for this type of change; i.e.,

- . it would change the family nature of an area (25%);
- . a lower class of people would move in (13%);
- . there would be too much noise and disturbance (13%);
- . traffic and parking problems would result (15%).

Concerned households would either protest in city hall (32%) or organize a neighbourhood resistance (29%) to prevent this type of change in their area.

Overall reactions to TYPE THREE change in their neighbourhood;

. object	79%
. depends	2
. no objection	17
. don't know	2

The reasons for objecting to this type of change were mostly related to the physical impact of new semi-detached housing in an area; i.e.,

- . the area would look too crowded (23%);
- . the physical character of the neighbourhood would be changed (17%);the
- . family character of the area would be changed (15%).

About 25% of the households in this group saw some advantage to this type of change in their area; mostly that the area would be more attractive with newer houses.

Overall reactions to TYPE FOUR change in their neighbourhood;

. object	79%
. depends	6
. no objection	15
. don't know	0

Households generally objected to this type of change because of perceived negative effects on the physical quality of the neighbourhood; i.e.,

- . the area would look too crowded (30%);
- . open green space would be reduced (21%).

Most households objecting to this type of change would complain to city hall.

Overall reactions to TYPE FIVE change in their neighbourhood;

. object	70%
. depends	4
. no objection	21
. don't know	5

Objections were raised to this type of change because of possible physical and/or social effects on a neighbourhood; i.e.:

- . the area would look too crowded (26%);
- . houses would not be kept up (15%);
- . the physical character of the area would be changed (13%);
- . the family character of the area would be changed (21%).

About 10% of the households in this group saw some advantage in this type of change if, as a result, houses were fixed up.

9.2 Preferences

Overall ranking of factors associated with conversions and infill:

	Average Rank (6=high)
. extent of change in an area	4.9
. degree of upkeep	4.7
. household type moving in	4.0
. tenure of units	4.0
. type of change	3.7
. how parking is handled	2.9

High-income/low-tolerance households are the only group to rank the extent to which infill and conversion occur in an area as more important than the degree of upkeep of converted or infill units. In general though, almost all factors are ranked as being quite important except for how parking is handled.

Preferences in household types moving in:

	<u>First Choice</u>	<u>Second Choice</u>
. young married couples preferred by	30%	17%
. seniors preferred by	17	0
. young single persons preferred by	0	30
. young couples with kids preferred by	30%	
. young couples without kids preferred by	19	
. higher income households preferred by	13%	
. lower income households preferred by	0	
. similar income households preferred by	53	
. more owners preferred by	94%	
. more renters preferred by	0	

On the question of preferences in household type, almost one-half the households did not state a specific preference. In most cases, their preference would be contingent upon other household characteristics. Non-preference for renters was, however, quite unambiguous.

Preferences in type of change:

	<u>Average Rank (1=high)</u>
. TYPE TWO - conversion	2.8
. TYPE FOUR - infill	3.0
. TYPE FIVE - addition	3.0
. TYPE THREE - semi	3.1
. TYPE ONE - shared	3.2

No strong distinction in preference for one type of change over another was evident with this group of households.

9.3 Household Characteristics

. average household size		3.5 persons
. children in household	- yes	70%
	- no	30
. share present accommodation	- yes	6
	- no	94
. present marital status	- single	0
	- married	96
	- separated	4
	- widowed	0
. average household income		\$43,000./annum
. average age of respondent		45 years
. sex of respondent	- male	55%
	- female	45

Almost all households in this group are married couples; most have children. Average household income at \$45,000 per year is the highest of any group.

9.4 Neighbourhood Characteristics

. average length of residence		10.4 years
. degree of change in area since first moved here:		
	- great deal	19%
	- somewhat	30
	- not at all	51
. very noticeable changes:		
	- houses being renovated	43%
	- more ethnic groups	26
	- more apartment buildings	23
	- more children	17
	- more elderly	15

. changes in terms of the types of conversion and infill:

- TYPE ONE	- shared	4%
- TYPE TWO	- conversion	9
- TYPE THREE	- semi	13
- TYPE FOUR	- infill	6
- TYPE FIVE	- addition	9

About one-half of the households in this group feel that their area has experienced at least some change since they first moved here. Feelings were mixed, however, as to whether or not the changes were for the better. Houses being fixed up and renovated were usually cited as a change for the better. New households moving into the area were seen as either a change for the better or a change for the worse by an equal proportion of households (6%).

10.0 IMPLICATIONS

This study has a number of implications for assessing potential community reaction to the introduction of conversion and infill in residential areas. These implications are discussed below in terms of:

- . neighbourhoods most suitable for the encouragement of conversion and infill;
- . types of change that would cause the least objection;
- . potential reactions to objectionable changes.

10.1 Suitable Neighbourhoods

The areas chosen for this study were not selected as being representative of all urban neighbourhoods. Rather, they were selected on the basis of having the physical potential for infill and conversion, but which had experienced very little of this type of change. Areas were segmented into higher and lower income areas in order to assess the relationship between income and reaction to potential infill and conversion.

The results of the study show some relationship between income and reaction to potential infill and conversion in an area. The relationship is, however, far from perfect; i.e.

<u>Municipality:</u>	<u>Toronto</u>		<u>North York</u>		<u>Hamilton</u>		<u>Ottawa</u>		<u>Kingston</u>	
<u>Income:</u>	<u>Hi</u>	<u>Lo</u>	<u>Hi</u>	<u>Lo</u>	<u>Hi</u>	<u>Lo</u>	<u>Hi</u>	<u>Lo</u>	<u>Hi</u>	<u>Lo</u>
High tolerance:	40%	68%	48%	42%	40%	75%	54%	35%	40%	46%
Moderate tolerance:	40	20	44	18	34	12	23	26	36	22
Low tolerance:	20	12	8	40	26	13	23	39	24	32

In Toronto and Hamilton, the lower income areas were primarily made up of high and moderate-tolerance households; households with relatively little objection to various types of infill and conversion in their neighbourhoods. The other municipalities and the higher income areas in all municipalities were much less homogeneous in their reactions to infill and conversion.

The diversity of opinion in the areas surveyed suggests that unless homogenous residential areas are very finely defined, some objection must be expected to any introduction of infill or conversion. Lower income areas are generally, but not necessarily, better candidates for such changes. The best areas are ones with retired homeowners in Hamilton and Toronto.

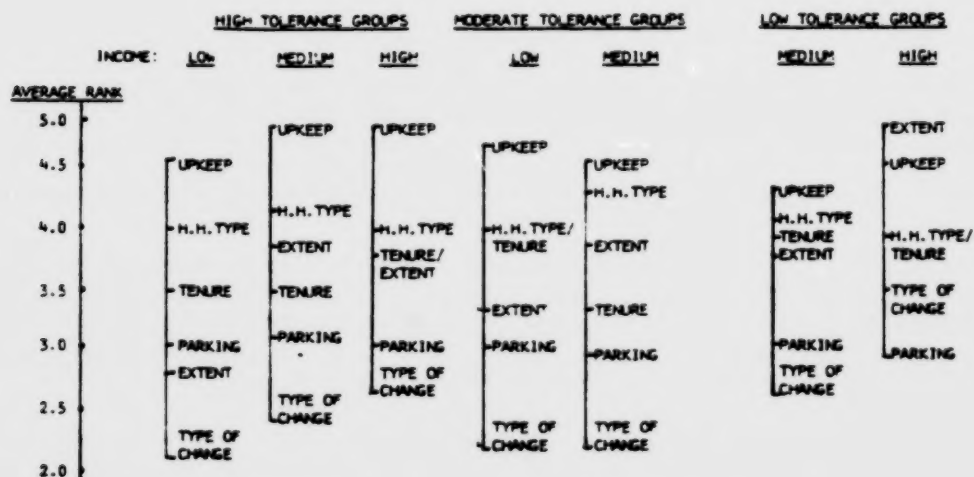
10.2 Acceptable Changes

Six factors associated with infill and conversion were investigated in this study; i.e.

- the physical type of change in terms of the five types or models of infill and conversion;
- the type or characteristics of households that would be moving into units created by conversion and infill;
- the degree of upkeep of converted or infill units;
- whether or not converted dwellings were owner-occupied;
- the extent to which conversion and infill occurred in a neighbourhood;
- how additional parking needs were handled in terms of on-street or off-street parking.

Respondents were asked to compare each of the factors against other factors and state which factor would be more important to them in maintaining or improving the overall quality of their neighbourhood. On the basis of these comparisons, factors were ranked by noting how many other factors a particular factor exceeded or equalled in importance.

Generally, all household groups judged degree of upkeep and household type to be the most important factors and type of physical change and parking to be the least important factors. The degree to which certain factors were judged important did, however, vary somewhat amongst household groups; i.e.



Given that low-tolerance households are likely to be found in any residential area or neighbourhood, it is impossible to find a particular type of change involving conversion or infill which will not result in at least some objections. However, based on the preferences of the various tolerance groups, some types of change will likely result in fewer or less intensive objections than other types of changes; i.e.

High-Tolerance Groups (49%)

1) low-income households: (9%)

- . least objectionable changes:
 - seniors of similar incomes (\$13,500) moving into apartments in owner-occupied homes
 - young married couples with children buying new semi-detached houses. New infill housing of this type must be of a style which blends into the neighbourhood and not result in a perceived increase in density.
- . most objectionable changes:
 - young single persons sharing a rented house.

2) medium-income households: (21%)

- . least objectionable changes:
 - young married couples with children, or seniors moving into apartments in owner-occupied houses.
- . most objectionable changes:
 - young single persons moving into rented accommodation in the area
 - any new infill housing, especially if it is out of character with the rest of the area.

3) high-income households: (18%)

- . least objectionable changes:
 - young couples with children or even young single persons, providing they're of similar socio-economic backgrounds as persons already in area
 - conversions involving minimal exterior physical changes are generally preferred to new infill housing.
- . most objectionable changes:
 - any changes which would alter the physical appearance of the neighbourhood.

Moderate-Tolerance Groups (27%)

4) low-income households: (9%)

- . least objectionable changes:
 - seniors moving into apartments in owner-occupied houses or apartments built on as an addition to a house, provided that such a change does not look too crowded.
- . most objectionable changes:
 - young single persons sharing a rented house.

5) medium-income households: (14%)

- . least objectionable changes:
 - young married couples with children, of similar incomes to households already in an area, who would buy a new house built as an additional house on a large lot. Again, this type of change must be able to blend into an area.
- . most objectionable changes:
 - young single persons sharing a rented house.

Low-Tolerance Groups (24%)

6) medium-income households: (15%)

- . least objectionable changes:
 - seniors or young couples moving into apartments in owner-occupied houses.
- . most objectionable changes:
 - any new infill housing.

7) high-income households: (9%)

- . least objectionable changes:
 - young married couples or singles of similar incomes to other households in the neighbourhood, moving into apartments in owner-occupied houses. Changes of this sort should be very limited in extent.
- . most objectionable changes:
 - any type of extensive change.

10.3 Reactions to Objectionable Change

Although the degree of objection and preferences in conversion and infill vary amongst the various tolerance groups, responses to objectionable changes;

i.e. if the physical or social quality of their neighbourhood deteriorated as a result of any change, were very similar for all household groups and for all types of change investigated.

About one-third of the households interviewed would either do nothing or didn't know what their response would be to objectionable changes in their neighbourhoods. The remaining two-thirds would, however, take any of the following actions:

- . protest to city hall (23% - 34%)
- . organize a neighbourhood resistance (18% - 25%)
- . protest to their alderman or MPP (19% - 23%)
- . sell their home and move (10% - 12%)
- . take legal action (5% - 7%)

It would appear that most homeowners react quite strongly to any perceived threats to the quality of their neighbourhood.



APPENDIX A
QUESTIONNAIRE SUMMARY

QUESTIONNAIRE SUMMARY1. City

1. Hamilton	20%	4. Ottawa	20%
2. Kingston	20	5. Toronto	20
3. North York	20		

2. Type of Neighbourhood

1. Upper income	50%	2. Lower income	50%
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Q.1 (a) Length of residence

1. less than 1 yr.	3%	4. 10-20 yrs.	26%
2. 1-5 yrs.	25	5. 20-30 yrs.	17
3. 5-10 yrs.	16	6. more than 30 yrs.	11

(b) If less than 5 yrs; live in this part of town before

1. yes	12%
2. no	18
3. not applicable	70

Q.2 Changes in Neighbourhood

	<u>VERY</u>	<u>SOMEWHAT</u>	<u>NOT AT ALL</u>	<u>D.K.</u>
1. new apartments	20%	16%	63%	1%
2. conversions	4	11	83	2
3. rooming houses	3	7	87	3
4. renovations	42	36	20	2
5. deconversions	3	8	85	4
6. poor upkeep	3	12	84	1
7. lower income h.h.	2	10	71	17
8. higher income h.h.	10	23	48	19
9. more children	17	29	52	2
10. more seniors	11	23	62	4
11. more ethnics	17	26	53	4

Q.3 (a) Degree of change in neighbourhood character

1. great deal	12%
2. somewhat	39
3. not at all	49

Q.3 (b) If at least some change

1. for better	58%	3. neither/both	17%
2. for worse	23	4. don't know	2

(c) Reasons for answer

For better:	1. houses upgraded	33%
	2. better people	22
	3. more services/shops	11
	4. other	7
For worse:	1. different people	13%
	2. more traffic	6
	3. other	7

Q.4 (a) Socialize with neighbours

1. great deal	11%
2. somewhat	71
3. not at all	17

(b) Close friends amongst neighbours

1. yes	57%	2. no	42%
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Q.5 (a) Have types of change occurred in neighbourhood

1. yes	34%
2. no	63
3. don't know	3

(b) If yes; which types

1. Type 1	31%	4. Type 4	17%
2. Type 2	39	5. Type 5	31
3. Type 3	29		

(c) If more than one type; most frequent

1. Type 1	18%	4. Type 4	8%
2. Type 2	38	5. Type 5	24
3. Type 3	12		

Q.6 Reaction to types

	<u>OBJECT</u>	<u>DEPENDS</u>	<u>NO OBJECTION</u>	<u>D.K.</u>
1. Type 1	45%	17%	38%	1%
2. Type 2	28	12	60	1
3. Type 3	46	11	41	2
4. Type 4	41	10	47	2
5. Type 5	38	13	48	1

Reaction if objectionable

	<u>TYPE 1</u>	<u>TYPE 2</u>	<u>TYPE 3</u>	<u>TYPE 4</u>	<u>TYPE 5</u>
1. sell home/move	12%	12%	10%	11%	11%
2. take legal action	5	7	6	6	5
3. call alderman, MPP	21	19	19	21	23
4. protest to city hall	23	30	30	29	34
5. organize resistance	18	20	22	25	23
6. nothing	25	20	22	21	18
7. don't know	15	16	15	14	13
8. other	7	8	6	7	7

Advantages of type of change

	<u>TYPE 1</u>	<u>TYPE 2</u>	<u>TYPE 3</u>	<u>TYPE 4</u>	<u>TYPE 5</u>
1. none	83%	72%	71%	75%	72%
2. more attractive area	0	0	7	4	5
3. renovations	0	0	1	0	5
4. new houses	0	0	7	5	1
5. more families	4	6	8	7	7
6. more housing	5	4	5	3	6
7. financial benefits to owner/tenant	3	12	2	1	3
8. other	10	7	13	8	9

Q.7 Ranking of types

	<u>RANK 1</u>	<u>RANK 2</u>	<u>RANK 3</u>	<u>RANK 4</u>	<u>RANK 5</u>
TYPE 1	16%	20%	13%	16%	35%
TYPE 2	35	25	17	14	9
TYPE 3	14	19	21	23	23
TYPE 4	18	20	19	23	19
TYPE 5	20	18	27	22	13

Q.8 (a) Ranking of household types

	<u>RANK 1</u>	<u>RANK 2</u>	<u>RANK 3</u>
Young single persons	1%	17%	82%
Young married couples	82	17	1
Seniors	17	66	17

(b) Children

1. prefer with children	51%
2. prefer without children	20
3. don't know/depends	29

(c) Income

1. prefer higher incomes	19%
2. prefer lower incomes	0
3. prefer similar incomes	63
4. don't know/depends	17

(d) Tenure

1. prefer more owners	93%
2. prefer more renters	1
3. don't know/depends	6

(e) Parking

1. prefer off-street	79%
2. prefer on-street	14
3. don't know/depends	7

Q.9	<u>Importance</u>	(B)	<u>TYPE</u>	<u>TENURE</u>	<u>UPKEEP</u>	<u>EXTENT</u>	<u>H.H.TYPE</u>	<u>PKG.</u>
(A)	Type of change	--%		28%	22%	37%	35%	55%
	Tenure		76	--	38	50	50	61
	Upkeep		86	71	--	76	65	78
	Extent		69	58	33	--	51	69
	H.H.Type		71	59	46	59	--	78
	Parking		50	46	35	43	37	--

(A more or equally important than B)

Q.10 (a) Household size

1. one	12%	4. four	20%
2. two	33	5. more than four	15
3. three	20		

(b) Children

0. none	55%	3. three	7%
1. one	15	4. more than three	2
2. two	21		

(c) People sharing house

1. no	90%	3. own apt.	3%
2. share facilities	7		

Q.11 Marital status

1. single	5%	3. separated/divorced	5%
2. married	78	4. widowed	12

Q.12 Household income

1. less than \$5,000	3%	6. \$25-\$30,000	11%
2. \$5-\$10,000	4	7. \$30-\$35,000	11
3. \$10-\$15,000	7	8. \$35-\$40,000	8
4. \$15-\$20,000	8	9. over \$40,000	38
5. \$20-\$25,000	9		

Q.13 Respondent's age

1. under 25	3%	6. 45-49	7%
2. 25-29	4	7. 50-54	9
3. 30-34	10	8. 55-59	10
4. 35-39	14	9. 60-64	9
5. 40-44	9	10. 65 and over	25

Q.14 Respondent's sex

1. male	49%	2. female	51%
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TYPE ONE

OBJECT

1. area less physically attractive	5%	4. overcrowding	13%
Why? - lower class of people	2	Why? - more disturbance	3
- less upkeep	1	- city services insufficient	2
		- lower class of people	1
2. property value declines	8%		
Why? - lower class of people	2	5. more crime/vandalism	2%
- less upkeep	2	Why? - lower class of people	1
- change neighbourhood	3		
3. different people moving in	15%	6. more parking problems	10%
Why? - lower class of people	10	Why? - insufficient space	6
- more disturbance	2	- more people	1
- less upkeep	1	7. change from single family area	16%
		Why? - less upkeep	
		- lower class of people	

DEPENDS

1. type of people moving in	10%	3. absentee landlords	1%
What type? - unruly types	7	What's objectionable? - renters	1
- renters	1	What effect? - less upkeep	1
What effect? - more disturbance	2		
- less upkeep	1	4. extent	3%
- less privacy	1	What's objectionable? - no. of people	1
- lower property values	1	What effect? - overcrowded	1
- lower class of people	1		
2. degree of upkeep	2%	5. parking	1%
What's objectionable? - outside upkeep	2	What's objectionable? - on-street parking	1
What effect? - less upkeep	1	What effect? - parking problems	1

TYPE TWO

OBJECT

1. area less physically attractive	2%	4. overcrowding	12%
Why? - lower class of people	1	Why? - more disturbance	3
- change neighbourhood character	1	- would look crowded	1
		- inadequate city services	1
2. property value declines	5%	- parking problems	1
Why? - change neighbourhood character	1	- traffic congestion	1
- less upkeep	1	- less privacy	1
- lower class of people	1	5. more crime/vandalism	1%
- change to non-family	1	6. more parking problems	4%
3. different people moving in	7%	Why? - no room	3
Why? - lower class of people	4	- traffic congestion	1
- more disturbance	1	7. change from single family area	4%
- change to non-family	1	8. zoning regulations	1%

DEPENDS

1. type of people moving in	5%	4. extent	4%
What type? - unruly types	3	What's objectionable? - number converted	2
- family members OK	1	- number of people	1
- singles not OK	1	What effect? - look crowded	1
What effect? - more disturbance	1		
- less privacy	1	5. parking	2%
2. degree of upkeep	1%	What's objectionable? - on-street parking	1
What's objectionable? - outside upkeep	1	What effect? - parking problems	1
3. absentee landlords	1%	6. how close to respondent	2%

TYPE THREE

OBJECT

1. area less physically attractive	14%	4. overcrowding	26%
Why? - change neighbourhood character	8	Why? - look too crowded	9
- look too crowded	3	- more disturbance	4
- less green space	1	- less privacy	3
- change to non-family	1	- inadequate city services	2
		- traffic congestion	2
2. decline in property values	6%	5. more crime/vandalism	1%
Why? - change neighbourhood character	2	6. more parking problems	6%
- look too crowded	1	Why? - no room	3
- change to non-family	1	- more people	1
- lower class of people	1	7. change from single family	6%
3. different people moving in	2%	8. zoning regulations	3%
Why? - lower class of people	1		

DEPENDS

1. type of people moving in	1%	5. parking	0%
2. degree of upkeep	0%	6. design/quality of house	4%
3. absentee landlords	0%	7. size of house/lot	4%
4. extent	2%		
What's objectionable? - no. of units built	1		

TYPE FOUR

OBJECT

1. area less physically attractive	10%	4. overcrowding	27%
Why? - change character of neighbourhood	4	Why? - look too crowded	10
- look too crowded	4	- less open space	3
- less open space	1	- more disturbance	3
		- more people	2
		- less privacy	2
2. decline in property values	4%	5. more crime/vandalism	1%
Why? - look too crowded	1	6. more parking problems	5%
- change to non-family	1	Why? - no room	3
- change character of neighbourhood	1	7. change from single-family	3%
3. different people moving in	1%	8. zoning regulations	2%
Why? - lower class of people	1		

DEPENDS

1. type of people moving in	1%	5. parking	1%
2. degree of upkeep	0%	6. size of lot/house	4%
3. absentee landlords	0%	7. design of house	3%
4. extent	1%	8. proximity to respondent	1%

TYPE FIVE

OBJECT

1. area less physically attractive	9%	4. overcrowding	19%
Why? - change character of neighbourhood	5	Why? - look too crowded	5
- look too crowded	2	- more disturbance	3
		- traffic congestion	2
2. property value declines	7%	- parking problems	2
Why? - change to non-family	2	- less privacy	2
- change character of neighbourhood	1	- more people	1
- look too crowded	1	5. more crime/vandalism	1%
- less upkeep	1	6. more parking problems	6%
3. different people moving in	3%	Why? - no room	4
Why? - lower class of people	2	7. change from single-family	7%
- less upkeep	1	8. zoning regulations	3%

DEPENDS

1. type of people moving in	4%	5. parking	2%
What's objectionable? - unruly types	2	What's objectionable? - on-street parking	1
- family OK	1	What effect? - parking problems	1
What effect? - more disturbance	1	6. design/quality of house	4%
2. degree of upkeep	1%	7. size of lot/home	2%
3. absentee landlords	0%		
4. extent	3%		
What's objectionable? - number converted	2		
- no. of people	1		

APPENDIX B
METHODOLOGY

APPENDIX B

METHODOLOGY

1. Questionnaire Design

The questionnaire was designed in consultation with all members of the study team and is appended to this report. It reflects data gathered from the available literature and key informant interviews conducted with municipal officials, city planners and ratepayer groups in Hamilton, Kingston, Ottawa, Toronto, North York and Woodstock.

During the first week in September, 1982, the questionnaire was pre-tested on 25 respondents, revised and pre-tested again on an additional seven respondents. Compiling the results of both pre-tests, the questionnaire was again revised.

The final questionnaire required approximately 30 minutes to administer.

2. Sample Design

The sampling method was designed in order to complete a total of 500 interviews - 100 in each of the following cities: Hamilton, Kingston, Ottawa, Toronto and North York.

Within each city, two neighbourhoods were selected based on the following criteria:

1. Area must be predominantly owner-occupied and homogeneous;
2. Area must contain little or no conversion or infill;

3. Residents must fall into middle to higher income categories (50 - 75% quartile); and
4. One area was to be older than the other and was to have higher income residents than the other.

Neighbourhoods were selected based on consultations with planners and the most recent Statistics Canada data available (1981 census). They were approximately six to eight blocks in size, using natural boundaries, such as main streets and parks, when possible.

The following is a list of the two areas in each community; the first area listed is the higher income area:

- Hamilton - 1. Part of Kirkendale
2. Part of Stinson
- Kingston - 1. Valley View
2. Polson Park
- North York - 1. East of Yonge Street between
Church Avenue and Norton Avenue
- 2. East of Jane Street between
Tavistock Road and Richard Clark Drive
- Ottawa - 1. Glebe
2. Civic Hospital area
- Toronto - 1. Between Yonge Street and Mt. Pleasant Road
near City border
- 2. North of Bloor between Runnymede Road
and Clendenan Avenue

A total of 960 households were selected in order to obtain 500 interviews, 100 in each city, 50 in each neighbourhood.

3. Survey Execution

On September 30, October 1 and October 2, 960 introductory letters from the Assistant Deputy Minister were delivered to selected households in the selected neighbourhoods. The letter outlined the purpose of the study and requested participation by the household.

After a detailed briefing by ERG supervisors, experienced interviewers conducted in-home personal interviews during the period October 4 to 18, 1982, with homeowners. An attempt was made to obtain an equal number of males and females.

Ten per cent of all interviews were verified by ERG supervisors. Questionnaires were carefully checked for clarity and ambiguity before being considered complete. They were then coded and keypunched with 100% verification.

4. Completion Results

A total of 502 interviews were completed. The following table presents the detailed results.

<u>COMPLETION RESULTS</u>		
	<u>N</u>	<u>%</u>
Selected sample	960	100
No owner living in household	67	7
New base	893	100
No answer	-232	26
Language barrier	-37	4
Incomplete interviews	-8	1
Refusals	-114	13
Sub-total	391	44
Net completions (894 - 392)	502	56%

The effective response rate for the survey is 56% - the number of completed interviews (502) divided by the total sample (960) minus the number of households with no owners (67).

COMMUNITY ATTITUDE QUESTIONNAIRE

INTRODUCTION: Hello, my name is _____ (your name) _____.

I'm doing a study for the Ontario Ministry of Municipal Affairs and Housing. We sent a letter to your home a short while ago explaining about this study. Did you receive it?

IF NO, SHOW COPY OF LETTER.

We're interested in talking to home owners.
Do you own this home?

Yes	1
No	2

IF NO: Does the owner of this home, or their spouse, live here? (IF YES, ASK TO SPEAK TO OWNER OR SPOUSE.)
(IF NO OWNER, END INTERVIEW)

IF YES: Could I have a few minutes of your time to get your opinions on some questions of interest to the Ministry?

Address: _____

City: _____

Area: _____

Result:

C - completed

NA - not at home

R - refused

L - language barrier

NO - no owner

I - Incomplete

Record for Each Visit:

	Date	Time	Result
1st Call			
2nd Call			
3rd Call			
4th Call			

INTERVIEWER SIGNATURE _____

APPENDIX C

COMMUNITY ATTITUDE QUESTIONNAIRE

INTRODUCTION: Let me start by giving you a brief overview of the study we're doing on behalf of the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. It's a study of neighbourhoods in Ontario's towns and cities. We're particularly interested in finding out how neighbourhoods are changing and how these changes can be best directed toward meeting the housing needs of the people of this Province. What I'd like to do is start off with some basic questions about your neighbourhood.

Q.1(a) First of all, could you tell me how long have you lived in your present home? RECORD YEARS, MONTHS IF LESS THAN ONE YEAR.

Years		
Months		

(b) IF 5 YEARS OR LESS:

Did you live in this part of town before you moved to your present home?

Yes	1
No	2

Q. 2 In the time you have lived in this area, would you say that the following types of changes have been very noticeable, somewhat noticeable or not at all noticeable?

READ
AND
REPEAT
CATEGORIES
AS
NECESSARY

	VERY	SOMEWHAT	NOT	DON'T KNOW N/A
1. new apartment buildings in the area	1	2	3	9
2. older houses being turned into apartments	1	2	3	9
3. older houses turning into rooming houses	1	2	3	9
4. houses being renovated or fixed up	1	2	3	9
5. houses changing from rooming houses or apartments to single family homes	1	2	3	9
6. houses becoming rundown	1	2	3	9
7. people of lower incomes moving in	1	2	3	9
8. people of higher incomes moving in	1	2	3	9
9. more children in the area	1	2	3	9
10. more elderly or seniors in the area	1	2	3	9
11. more people of different ethnic backgrounds moving into the area	1	2	3	9

Q. 3 (a) In general, would you say that the character of this area has changed a great deal, somewhat or not at all since you first moved here?

Great Deal	1
Somewhat	2
Not At All	3
No Answer, Refuse/ DK	9

(b) IF GREAT DEAL OR SOMEWHAT:

In your opinion has this change been for the better or for the worse?

Better	1
Worse	2
Neither/Both	3
Don't Know	9

(c) IF BETTER, WORSE OR BOTH, ASK: Why do you say that?

Q. 4 (a) Would you say that you socialize a great deal, somewhat or not at all with your neighbours?

Great Deal	1
Somewhat	2
Not at all	3
Refuse, No Answer	9

(b) Do you have any close friends amongst your neighbours?

Yes	1
No	2
Refuse, No Answer	9

What I'd now like to do is get your opinion on specific types of change that could occur in residential neighbourhoods such as yours. (HAND CARD TO RESPONDENT)

Shown on the card are 5 types of changes. Three of these involve changing existing homes and two involve building new homes in an area.

TYPE	FROM	TO	DESCRIPTION
T1			- a house previously occupied by one family is changed into a house which is shared by a number of people who are not related
T2			- a house previously occupied by one family is changed into a house which is still occupied by that family but also has a suite or apartment which can be rented out
T3			- a house on a larger lot is demolished and replaced by two houses on the same lot
T4			- another house is built on a very large lot where only one house existed before (on a wide lot beside the existing house; on a deep lot behind the existing house; or in a public lane)
T5			- an addition is built onto a house which allows that house to be divided into two houses

GO OVER TYPES AND EXPLAIN DIFFERENCES.

Q. 5 (a) Have any of these types of changes been occurring in your neighbourhood?

Yes	1
No	2
Don't know	3

(b) IF YES ASK:

Which types of changes, in terms of these five types, have been occurring?
(CIRCLE "1" FOR EACH MENTIONED)

Type 1	1
Type 2	1
Type 3	1
Type 4	1
Type 5	1

(c) IF MORE THAN ONE MENTIONED ASK: CIRCLE ONLY ONE
Which type of change has been the most common in your neighbourhood?

Type 1	1
Type 2	2
Type 3	3
Type 4	4
Type 5	5
Don't know	9

Q.6 How much I'd like to do is ask you in some detail your views and opinions on the various types of change described on the card you have. (ROTATE TYPES: ALWAYS START DIFFERENT RESPONDENT WITH DIFFERENT TYPE. FOR EXAMPLE, IF STARTED WITH TYPE 3 LAST TIME, START WITH TYPE 4 THIS TIME. IF STARTED WITH TYPE 5 LAST TIME, START WITH TYPE 1 THIS TIME. BE SURE TO DO ALL FIVE TYPES FOR EACH RESPONDENT.)

TYPE ONE

Q.A. If changes as described by TYPE 1 on your card occurred in your immediate neighbourhood, would you object to this or not?

☐ OBJECT>ASK: What would be the major reasons for your objection? (CHECK ALL MENTIONED AND PROBE.)

☐ none area less physically attractive	> Why do you think this would happen?	_____
☐ property values would decline	> Why do you say that?	_____
☐ different people moving in/more renters, etc.	> What would concern you about these people?	_____
☐ overcrowding	> How would overcrowding affect people in this neighbourhood?	_____
☐ more crime/vandalism	> Why do you think this would happen?	_____
☐ more parking problems	> Why is that?	_____
☐ other (SPECIFY) _____	> Why do you say that?	_____
☐ other (SPECIFY) _____	> Why do you say that?	_____

DO NOT
READ

☐ DEPENDS>ASK: What would your reaction mainly depend on? (CHECK ALL MENTIONED AND PROBE.)

☐ type of people moving in	> What type of people would you object to?	_____
	> What effect would these types of people have on your neighbourhood?	_____
☐ how well homes kept up	> What would you object to in terms of upkeep?	_____
	> What effect would this type of upkeep have on your neighbourhood?	_____
☐ absentee landlords	> What would you object to about absentee landlords?	_____
	> What effect would this have on your neighbourhood?	_____
☐ extent to which this occurred	> What extent would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____
☐ how parking handled	> What kinds of parking arrangements would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____

DO NOT
READ

☐ NO OBJECTION> GO TO Q.C

☐ DON'T KNOW> GO TO Q.C

IF OBJECT OR DEPENDS, ASK:

Q.B. If changes of TYPE 1 that were objectionable to you occurred in your immediate neighbourhood, what would you do? (CIRCLE ALL THAT APPLY)

☐ tell home/move	1	35	organize neighbourhood	1
☐ take legal action	1	74	resistance	1
☐ call alderman, NPP, etc.	1	85	do nothing	1
☐ protest to city hall	1	96	don't know	1
			other _____	

DO NOT
READ

ALL RESPONDENTS

Q.C. What would be the advantages of this type of change in your neighbourhood? (CIRCLE ALL THAT APPLY)

☐ none/no advantages	1	92	newer houses	1
☐ physically nicer/more attractive	1	93	more families/children	1
☐ renovations	1	94	other _____	

DO NOT
READ

Q.6 Now what I'd like to do is ask you in some detail your views and opinions on the various types of change described on the card you have. (ROTATE TYPES: ALWAYS START DIFFERENT RESPONSES WITH DIFFERENT TYPE. FOR EXAMPLE, IF STARTED WITH TYPE 3 LAST TIME, START WITH TYPE 4 THIS TIME. IF STARTED WITH TYPE 5 LAST TIME, START WITH TYPE 1 THIS TIME. BE SURE TO DO ALL FIVE TYPES FOR EACH RESPONSE.)

TYPE TWO

Q.A. If changes as described by TYPE 2 on your card occurred in your immediate neighbourhood, would you object to this or not?

☐ OBJECT>ASK: What would be the major reasons for your objection? (CHECK ALL MENTIONED AND PROBE.)

☐ make area less physically attractive	> Why do you think this would happen?	_____	_____
☐ property values would decline	> Why do you say that?	_____	_____
☐ different people moving in/more renters, etc.	> What would concern you about these people?	_____	_____
☐ overcrowding	> How would overcrowding affect people in this neighbourhood?	_____	_____
☐ more crime/vandalism	> Why do you think this would happen?	_____	_____
☐ more parking problems	> Why is that?	_____	_____
☐ other (SPECIFY) _____	> Why do you say that?	_____	_____
☐ other (SPECIFY) _____	> Why do you say that?	_____	_____

☐ DEPENDS>ASK: What would your reaction mainly depend on? (CHECK ALL MENTIONED AND PROBE.)

☐ type of people moving in	> What type of people would you object to?	_____	_____
	> What effect would these types of people have on your neighbourhood?	_____	_____
☐ how well homes kept up	> What would you object to in terms of upkeep?	_____	_____
	> What effect would this type of upkeep have on your neighbourhood?	_____	_____
☐ absentee landlords	> What would you object to about absentee landlords?	_____	_____
	> What effect would this have on your neighbourhood?	_____	_____
☐ extent to which this occurred	> What extent would be objectionable?	_____	_____
	> What effect would this have on your neighbourhood?	_____	_____
☐ how parking handled	> What kinds of parking arrangements would be objectionable?	_____	_____
	> What effect would this have on your neighbourhood?	_____	_____
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	_____	_____
	> What effect would this have on your neighbourhood?	_____	_____
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	_____	_____
	> What effect would this have on your neighbourhood?	_____	_____

☐ NO OBJECTION> GO TO Q.C

☐ DON'T KNOW> GO TO Q.C

IF OBJECT OR DEPENDS, ASK:

Q.8 If changes of TYPE 2 that were objectionable to you occurred in your immediate neighbourhood, what would you do? (CIRCLE ALL THAT APPLY)

☐ sell home/move	☐ organize neighbourhood resistance
☐ take legal action	☐ do nothing
☐ call alderman, APP, etc.	☐ don't know
☐ protest to city hall	☐ other _____

ALL RESPONSES

Q.9 What would be the advantages of this type of change in your neighbourhood? (CIRCLE ALL THAT APPLY)

☐ none/no advantages	☐ newer houses
☐ physically nicer/more attractive	☐ more families/children
☐ renovations	☐ other _____

Q.6 How much I'd like to do is ask you in some detail your views and opinions on the various types of change described on the card you have. (ROTATE TYPES: ALWAYS START DIFFERENT RESPONDENT WITH DIFFERENT TYPE. FOR EXAMPLE, IF STARTED WITH TYPE 3 LAST TIME, START WITH TYPE 4 THIS TIME. IF STARTED WITH TYPE 5 LAST TIME, START WITH TYPE 1 THIS TIME. BE SURE TO DO ALL FIVE TYPES FOR EACH RESPONDENT.)

TYPE THREE

Q.A. If changes as described by TYPE 3 on your card occurred in your immediate neighbourhood, would you object to this or not?

☐ OBJECT>ASK: What would be the major reasons for your objection? (CHECK ALL MENTIONED AND PROBE.)

☐ make area less physically attractive	> Why do you think this would happen?	UU
☐ property values would decline	> Why do you say that?	UU
☐ different people moving in/more renters, etc.	> What would concern you about these people?	UU
☐ overcrowding	> How would overcrowding affect people in this neighbourhood?	UU
☐ more crime/vandalism	> Why do you think this would happen?	UU
☐ more parking problems	> Why is that?	UU
☐ other (SPECIFY) _____	> Why do you say that?	UU
☐ other (SPECIFY) _____	> Why do you say that?	UU

☐ DEPENDS>ASK: What would your reaction mainly depend on? (CHECK ALL MENTIONED AND PROBE.)

☐ type of people moving in	> What type of people would you object to?	UU
	> What effect would these types of people have on your neighbourhood?	UU
☐ how well homes kept up	> What would you object to in terms of upkeep?	UU
	> What effect would this type of upkeep have on your neighbourhood?	UU
☐ absentee landlords	> What would you object to about absentee landlords?	UU
	> What effect would this have on your neighbourhood?	UU
☐ extent to which this occurred	> What extent would be objectionable?	UU
	> What effect would this have on your neighbourhood?	UU
☐ how parking handled	> What kinds of parking arrangements would be objectionable?	UU
	> What effect would this have on your neighbourhood?	UU
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	UU
	> What effect would this have on your neighbourhood?	UU
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	UU
	> What effect would this have on your neighbourhood?	UU

☐ NO OBJECTION> GO TO Q.C

☐ DON'T KNOW> GO TO Q.C

IF OBJECT OR DEPENDS, ASK:

Q.8 If changes of TYPE 3 that were objectionable to you occurred in your immediate neighbourhood, what would you do? (CIRCLE ALL THAT APPLY)

☐ sell home/move	☐ organize neighbourhood resistance	
☐ take legal action	☐ do nothing	
☐ call alderman, HPP, etc.	☐ don't know	
☐ protest to city hall	☐ other _____	UU

ALL RESPONDENTS

Q.C What would be the advantages of this type of change in your neighbourhood? (CIRCLE ALL THAT APPLY)

☐ none/no advantages	☐ newer houses	
☐ physically nicer/more attractive	☐ more families/children	
☐ renovations	☐ other _____	UU

Q.6 How much I'd like to do is ask you in some detail your views and opinions on the various types of change described on the card you have. (ROTATE TYPES: ALWAYS START DIFFERENT RESPONSE WITH DIFFERENT TYPE. FOR EXAMPLE, IF STARTED WITH TYPE 3 LAST TIME, START WITH TYPE 4 THIS TIME. IF STARTED WITH TYPE 5 LAST TIME, START WITH TYPE 1 THIS TIME. BE SURE TO DO ALL FIVE TYPES FOR EACH RESPONSE.)

TYPE FOUR

Q.4. If changes as described by TYPE 4 on your card occurred in your immediate neighbourhood, would you object to this or not?

☐ OBJECT=>ASK: What would be the major reasons for your objection? (CHECK ALL MENTIONED AND PROBE.)

☐ make area less physically attractive	> Why do you think this would happen?	_____
☐ property values would decline	> Why do you say that?	_____
<u>DO NOT</u> <u>READ</u> ☐ different people moving in/more renters, etc.	> What would concern you about these people?	_____
☐ overcrowding	> How would overcrowding affect people in this neighbourhood?	_____
☐ more crime/vandalism	> Why do you think this would happen?	_____
☐ more parking problems	> Why is that?	_____
☐ other (SPECIFY) _____	> Why do you say that?	_____
☐ other (SPECIFY) _____	> Why do you say that?	_____

☐ DEPENDS=>ASK: What would your reaction mainly depend on? (CHECK ALL MENTIONED AND PROBE.)

☐ type of people moving in	> What type of people would you object to?	_____
	> What effect would these types of people have on your neighbourhood?	_____
☐ how well homes kept up	> What would you object to in terms of upkeep?	_____
	> What effect would this type of upkeep have on your neighbourhood?	_____
<u>DO NOT</u> <u>READ</u> ☐ absentee landlords	> What would you object to about absentee landlords?	_____
	> What effect would this have on your neighbourhood?	_____
☐ extent to which this occurred	> What extent would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____
☐ how parking handled	> What kinds of parking arrangements would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	_____
	> What effect would this have on your neighbourhood?	_____

☐ NO OBJECTION=>GO TO Q.5

☐ DON'T KNOW=>GO TO Q.5

IF OBJECT OR DEPENDS, ASK:

Q.8 If changes of TYPE 4 that were objectionable to you occurred in your immediate neighbourhood, what would you do? (CIRCLE ALL THAT APPLY)

<u>DO NOT</u>	sell home/move	organize neighbourhood resistance
<u>READ</u>	take legal action	do nothing
	call alderman, MPP, etc.	don't know
	protest to city hall	other _____

ALL RESPONSES

Q.9 What would be the advantages of this type of change in your neighbourhood? (CIRCLE ALL THAT APPLY)

<u>DO NOT</u>	none/no advantages	newer houses
<u>READ</u>	physically nicer/more attractive	more families/children
	renovations	other _____

Q.6 How much I'd like to do is ask you in some detail your views and opinions on the various types of change described on the card you have. (ROTATE TYPES: ALWAYS START DIFFERENT RESPONDENT WITH DIFFERENT TYPE. FOR EXAMPLE, IF STARTED WITH TYPE 3 LAST TIME, START WITH TYPE 4 THIS TIME. IF STARTED WITH TYPE 5 LAST TIME, START WITH TYPE 1 THIS TIME. BE SURE TO DO ALL FIVE TYPES FOR EACH RESPONDENT.)

TYPE FIVE

Q.5. If changes as described by TYPE 5 on your card occurred in your immediate neighbourhood, would you object to this or not?

☐ OBJECT>ASK: What would be the major reasons for your objection? (CHECK ALL MENTIONED AND PROBE.)

☐ make area less physically attractive	> Why do you think this would happen?	U
☐ property values would decline	> Why do you say that?	U
<u>DO NOT</u> <u>READ</u> ☐ different people moving in/more renters, etc.	> What would concern you about these people?	U
☐ overcrowding	> How would overcrowding affect people in this neighbourhood?	U
☐ more crime/vandalism	> Why do you think this would happen?	U
☐ more parking problems	> Why is that?	U
☐ other (SPECIFY) _____	> Why do you say that?	U
☐ other (SPECIFY) _____	> Why do you say that?	U

☐ DEPENDS>ASK: What would your reaction mainly depend on? (CHECK ALL MENTIONED AND PROBE.)

☐ type of people moving in	> What type of people would you object to?	U
	> What effect would these types of people have on your neighbourhood?	U
☐ how well homes kept up	> What would you object to in terms of upkeep?	U
	> What effect would this type of upkeep have on your neighbourhood?	U
<u>DO NOT</u> <u>READ</u> ☐ absentee landlords	> What would you object to about absentee landlords?	U
	> What effect would this have on your neighbourhood?	U
☐ extent to which this occurred	> What extent would be objectionable?	U
	> What effect would this have on your neighbourhood?	U
☐ how parking handled	> What kinds of parking arrangements would be objectionable?	U
	> What effect would this have on your neighbourhood?	U
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	U
	> What effect would this have on your neighbourhood?	U
☐ other (SPECIFY) _____	> What aspects of this would be objectionable?	U
	> What effect would this have on your neighbourhood?	U

☐ NO OBJECTION->GO TO Q.6

☐ DON'T KNOW->GO TO Q.6

IF OBJECT OR DEPENDS, ASK:

Q.8 If changes of TYPE 5 that were objectionable to you occurred in your immediate neighbourhood, what would you do? (CIRCLE ALL THAT APPLY)

<u>DO NOT</u> <u>READ</u> sell home/move	1	organize neighbourhood resistance	1
take legal action	1	do nothing	1
call alderman, MPP, etc.	1	don't know	1
protest to city hall	1	other _____	U

ALL RESPONDENTS

Q.9 What would be the advantages of this type of change in your neighbourhood? (CIRCLE ALL THAT APPLY)

<u>DO NOT</u> <u>READ</u> none/no advantages	1	newer houses	1
physically nicer/more attractive	1	more families/children	1
renovations	1	other _____	U

- Q.7 If these changes were to occur in your neighbourhood, how would you rank them from first to last choice, with first choice being most preferred and fifth choice being least preferred?

(WRITE IN RANK - TRY TO AVOID TIES;
IF REFUSE, CODE 9)

Type	Rank
1	
2	
3	
4	
5	

- Q.8 (a) In terms of new households moving into your neighbourhood, please rank your first, second and third preference.

(WRITE IN RANK - TRY TO AVOID TIES;
IF REFUSE, CODE 9)

READ
AND
ROTATE

Young single persons	
Young married couples	
Seniors	

- (b) Would you prefer young couples with children or young couples without children moving into your neighbourhood? (ROTATE)

Prefer with kids	1
Prefer without kids	2
Don't know, depends	9

- (c) Would you rather see higher income households, lower income households, or households with incomes similar to your own moving into your neighbourhood? (ROTATE)

(IF HIGHER AND SIMILAR
INCOME, CODE HIGHER ONLY)

Prefer higher income	1
Prefer lower income	2
Prefer similar income	3
Don't know, depends	9

- (d) Would you prefer more owners or more renters living in your neighbourhood? (ROTATE)

Prefer more owners	1
Prefer more renters	2
Don't know, depends	9

- (e) If more parking were needed in your neighbourhood, would you prefer on-street parking or off-street parking? (ROTATE)

Prefer off-street	1
Prefer on-street	2
Don't know, depends	9

Q.9 The various types of changes we've been talking about can be described in terms of whether or not the homes are owner-occupied, how well the property is kept up, the extent to which change occurs, the type of households moving in, and how parking is handled.

- (a) In comparing the type of change to these features, what would be more important to you in terms of maintaining or improving the general quality of a neighbourhood: (1) and (2) USED TO RECORD MORE IMPORTANT FEATURE) (CIRCLE ANSWER)

	Feature (1) More Important	Feature (2) More Important	Both Important	Don't know, No Answer
1. the type of physical change that takes place in terms of the five types (1) or whether or not the homes are owner-occupied (2)? Which would be more important to you?	1	2	3	9
2. which would be more important, the type of change (1) or how well the property is kept up (2)?	1	2	3	9
3. the type of change (1) or the extent to which it occurs in a neighbourhood (2)?	1	2	3	9
4. the type of change (1) or the type of household that moves in (2)?	1	2	3	9
5. the type of change (1) or the effect on parking in the neighbourhood (2)?	1	2	3	9

- (b) In comparing the occupancy of the houses that would be changed to the other features, what would be more important to you in terms of maintaining or improving the general quality of a neighbourhood:

	Feature (1) More Important	Feature (2) More Important	Both Important	Don't know, No Answer
1. whether or not the houses are owner-occupied (1) or how well the property is kept up (2)?	1	2	3	9
2. whether or not the houses are owner-occupied (1) or the extent to which change occurs in a neighbourhood (2)?	1	2	3	9
3. whether or not the houses are owner-occupied (1) or the types of households moving in (2)?	1	2	3	9
4. whether or not the houses are owner-occupied (1) or the effect on parking in the neighbourhood (2)?	1	2	3	9

- (c) If we compare upkeep to the other features, what would be more important to you in terms of maintaining or improving the general quality of a neighbourhood:

	Feature (1) More Important	Feature (2) More Important	Both Important	Don't know, No Answer
1. how well the property is kept up (1) or the extent to which change occurs (2)?	1	2	3	9
2. how well the property is kept up (1) or the type of households moving in (2)?	1	2	3	9
3. how well the property is kept up (1) or the effect on parking in the neighbourhood (2)?	1	2	3	9

- (d) Of the following features, which would be more important to you:

	Feature (1) More Important	Feature (2) More Important	Both Important	Don't know, No Answer
1. the extent to which change occurs in a neighbourhood (1) or the type of households moving in (2)?	1	2	3	9
2. the extent to which change occurs (1) or the effect on parking in a neighbourhood (2)?	1	2	3	9
3. the types of households moving in (1) or the effect on parking (2)?	1	2	3	9

And now, we'd like to ask you a few questions about yourself. Please be assured that your responses will be kept strictly confidential and no attempt will be made to identify individual responses.

Q.10 (a) How many people, including yourself, live in your household?

RECORD

Persons		
---------	--	--

IF REFUSE, CODE 99

(b) IF MORE THAN ONE PERSON ASK: Do you have any dependent children living with you?

Yes	1
No	2

(c) IF YES, ASK:

How many dependent children live in your household?

--

(d) Are there any persons outside your immediate family living in this house? (includes tenants)

Yes	1
No	2
Refused	9

(e) IF YES:

Do these persons share your home or do they live in a self-contained suite or apartment?

IMMEDIATE FAMILY = PARENTS, CHILDREN,
GRANDPARENTS, GRANDCHILDREN

Share	1
Suite/Apt.	2
Refused	9

Q.11 What is your present marital status?
(PROMPT, IF NECESSARY)

DO NOT
READ

Single	1
Married	2
Separated/ Divorced	3
Widowed	4
Other	5
Refused	9

Q.12 Which of the letters on this card best describes your total household income before taxes for 1981?

HAND CARD

A. Under \$5,000	01
B. \$5,000 to \$9,999	02
C. \$10,000 to \$14,999	03
D. \$15,000 to \$19,999	04
E. \$20,000 to \$24,999	05
F. \$25,000 to \$29,999	06
G. \$30,000 to \$34,999	07
H. \$35,000 to \$39,999	08
I. \$40,000 and over	09
J. Don't know, refused	99

Q.13 Could you tell me in which year you
were born? IF REFUSE, CODE 99.

RECORD

Year	19	
------	----	--

Q.14 DO NOT ASK: SEX OF RESPONDENT

Male	1
Female	2

Thank you very much. Those are all the questions I have. Do you
have any comments you would like to make?

--	--

Could I please get your name and telephone number in order that
this interview can be verified by my supervisor.

Name: _____

Telephone: _____

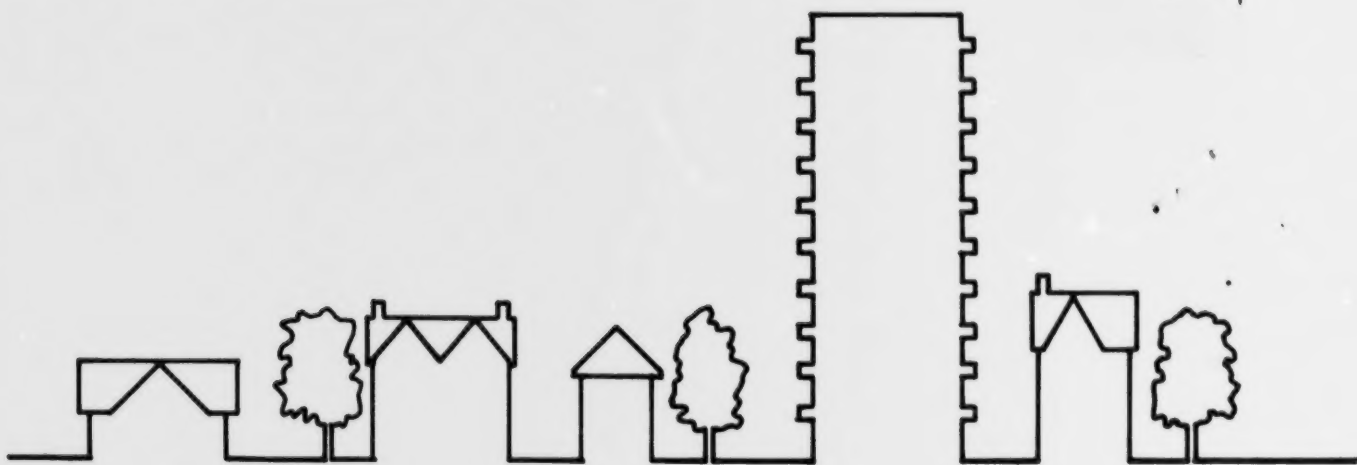
INTERVIEWER NAME: _____

INTERVIEWER NUMBER:

--	--

**Number/
Numéro**

6



STUDY OF RESIDENTIAL INTENSIFICATION AND RENTAL HOUSING CONSERVATION

PART 3 : RESIDENTIAL INTENSIFICATION AND FUTURE HOUSING NEEDS

3.6: MUNICIPAL AND PROVINCIAL POLICIES AND REGULATIONS

PREPARED FOR
THE ONTARIO MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING
AND THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

BY
KLEIN & SEARS
ENVIRONICS RESEARCH GROUP
CLAYTON RESEARCH ASSOCIATES
LEWINBERG CONSULTANTS
WALKER, POOLE, MILLIGAN

MARCH 1983

VOLUME 8

NOTE:

This is a consultants' report. Any statements or opinions expressed herein are those of the writers or of persons quoted and, unless otherwise noted, are not necessarily endorsed by the Ministry of Municipal Affairs & Housing, Government of Ontario, or the Association of Municipalities of Ontario.

FOREWORD

This study was commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario. Funding for the study was provided by the Ontario Ministry of Municipal Affairs and Housing through the Housing Renovation and Energy Conservation Unit of the Community Housing Wing. The Ministry's chief representative on the study was Mr. George Przybylowski of the Housing Renovation and Energy Conservation Unit. In this capacity, Mr. Przybylowski was the prime client contact throughout the study process and the consultants wish to express their gratitude to him for his considerable personal commitment to this study and the many creative and useful suggestions he made during the course of the investigations.

The findings, conclusions and recommendations contained in the various volumes of the study report are those of the consultants as are any factual errors they may contain. The report does not constitute Ontario Government or A.M.O. policy but is a report to these two organizations for their consideration.

Peter G. McInnis
Study Director

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GENERAL INTRODUCTION

This document forms one volume of an eleven volume study report commissioned jointly by the Ontario Ministry of Municipal Affairs and Housing and the Association of Municipalities of Ontario (A.M.O.) in July, 1982. The prime objectives of the study were:

1. To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods.
2. To examine some of the major forces at work that have and could threaten the conservation of the existing stock of rental housing and the tenants that occupy this stock.

These objectives were formulated in response to concerns on the part of the Ministry and A.M.O. regarding recent and emerging trends in housing and urban development and population growth and change in Ontario.

It is safe to assume that there will continue to be a demand for more rental and ownership housing units in Ontario during the 1980's and 1990's due to both an absolute increase in population and an increase in the number of households. However, there is growing evidence that this demand could be different in nature than during the last decade. While demand will continue to be focused in urban areas, there will likely be increasing pressure for inner city housing particularly in the larger urban centres such as Toronto, Ottawa and Hamilton. Also, households are getting smaller and older; and more people are beginning to accept the prospect of never being able to afford to own a home. These trends suggest that there will be an increasing demand for smaller dwellings. While consumer preference information may not support this, the general state of the economy and the future affordability of housing may dictate these demands.

The Government of Ontario and the Association of Municipalities of Ontario are concerned about how these additional and somewhat different housing needs of the 80's and 90's will be met, particularly in light of the downturn in the construction of new private rental housing; the economic prospects for the 80's and 90's and the likely restraints on public expenditures related to new facilities and services and socially assisted housing; and the increasing difficulty of providing new housing through large scale redevelopment and/or a further expansion outwards of Ontario's urban fabric.

There are two major approaches to creating additional housing: 1) building new and 2) making more efficient (intensive) use of the housing stock that currently exists. This study is aimed primarily at the latter and specifically at the potential for meeting some of the future housing needs in

the Province through the conversion of the existing stock of some 1,200,000 grade-related owner occupied dwellings in the Province. The extent to which this study is concerned with new housing was limited to the opportunities that might exist for small scale residential infill in residential neighbourhoods.

In addition to being concerned about meeting additional housing needs, the Ministry and A.M.O. were concerned about conserving the existing rental stock in a safe and livable condition for at least the same number of households as it currently accommodates. While this aging/conservation issue is by no means a new one, the nature of the issue will likely be quite different in the future. Until the late 1950's, the vast majority of housing in the Province was grade-related and owner occupied, and the conservation of these types of dwellings usually happened as a matter of course without much concern or assistance on the part of governments. In the last 30 years, however, the housing stock profile has changed dramatically with the advent of the high-rise apartment building. Rental apartments in multiple unit buildings form a much larger proportion of the stock than ever before. Approximately two-thirds of the over one million rental housing units in Ontario are located in high-rise or low-rise/walk-up multiple unit apartment buildings. Forty percent or 434,000 of the total rental units are in high-rise buildings. The conservation of the apartment rental stock has never been a serious issue in the past because of the relative newness of this stock. However, as these buildings age during the 80's and 90's (many are already 20 years old), serious attention will have to be given to the efforts that will be required to maintain these units in a safe and livable condition and within the economic reach of a large majority of the population. Therefore, the second objective of this study was in part, to examine the type of building repairs and improvements (and their associated costs) that will be required to conserve the Province's stock of some 434,000 high-rise rental apartments over the next 20 years.

A second rental housing conservation concern of the Ministry and A.M.O. had to do with the perceived loss of low-income rental accommodation that has traditionally been available in the form of rooms and apartments in grade-related dwellings in older neighbourhoods. Specifically, the study was to examine the extent of the loss of this type of housing due to demolition and deconversion resulting from the gentrification of these dwellings and the impact these losses have had on tenants.

The investigations were carried out by a series of five individual consultants working under the direction of a sixth consultant retained to coordinate and direct the study investigations. The work of each consultant was monitored and reviewed by a core study group made up of the five consultants, the study director and representatives of MOMAH and AMO.

Core Study Group

Study Director: Peter McInnis
Klein & Sears Research and Planning Limited

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Environics Research Group

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Ministry
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A.M.O.
Representatives: Mayor W. McLean Town of Ajax

Gwyn Simmons City of Ottawa Non-Profit Housing
Corporation

Special Assistant
To Core Group: Betty Kaser

While the consultants' work on this study began formally at the beginning of July, 1982, some considerable effort was spent in advance of this start-up by a steering committee of Ministry and AMO representatives in developing terms of reference and a work plan with the Study Director that reflected the findings of an extensive and detailed review of the literature pertaining to the issues in question. This literature review was carried out by David Hulchanski for the Ministry during April and May of 1982 and has been published under separate cover. The prime purpose of this review was to identify the extent to which the issues in question had already been considered and the findings and conclusions that had been reached in order that the consultants' work could be focussed on those issues about which there is limited knowledge or understanding. Also, this review provided a valuable basis for establishing certain propositions to be tested in the study.

The investigations, particularly those relating to Objective #1, were carried out on a case study area basis in the municipalities of Toronto, North York, Hamilton, Kingston, Woodstock and Ottawa with special input from municipal officials in Thunder Bay. These municipalities were selected to reflect the fact that many of the issues under investigation were more associated with larger urban areas as well as to provide, at the same time, a range of sizes of municipalities for comparative purposes.

The overall study report is organized into 11 separate volumes. These 11 volumes follow the 5 part organization of the findings, conclusions and recommendations of the study investigations as indicated below:

PART #	TITLE (Prime Consultants)	VOLUME #
1	Summary of Findings And Recommendations (Klein & Sears)	1
2	Economic And Demographic Trends for the 80's and 90's (Clayton Research Associates)	2
3	Residential Intensification And Future Housing Needs	
3.1	Physical Potential (Clayton Research Associates)	3
3.2	Economic Issues (Klein & Sears and Clayton Research Associates)	4
3.3	The Supply Process (Environics Research Group and Clayton Research Associates)	5
3.4	Tenant Demand (Environics Research Group)	6
3.5	Neighbourhood Impact And Resistance (Environics Research Group and Lewinberg Consultants)	7
3.6	Municipal And Provincial Policies And Regulations (Walker, Poole, Milligan)	8
4	Conserving The Existing Rental Housing Stock	
4.1	Recent Rental Stock Losses and the Impact of Deconversion (Clayton Research Associates and Lewinberg Consultants)	9

4.2	Future Conservation Requirements And Costs for High-Rise Apartments and the Possible Impact on Rents and Tenants (Klein & Sears and Clayton Research Associates)	10
5	Data Sources And Problems (Clayton Research Associates)	11

This particular volume (Volume #8) of the study report was prepared by Mr. Peter Milligan of the law firm, Walker, Poole, Milligan. As indicated above, Volume #8 deals exclusively with the opportunities and constraints re. intensification presented by municipal government policies and regulations as reflected in existing official plans and by-laws and by certain provincial regulations such as the Ontario Building Code.

INTRODUCTION TO PART 3

This part of the study deals with Objective #1

"To examine the opportunities and constraints that exist for meeting some of the future additional housing needs in Ontario during the 1980's and 1990's through the intensification of existing residential neighbourhoods"

"Residential Intensification" as used in this study means increasing the number of households accommodated in existing buildings and/or on existing serviced land in already built-up parts of urban areas through conversion of existing structures and through additions to existing structures and the building of new structures on vacant or near vacant land. Intensification as used in this study is achieved with little or no demolition of existing buildings.

The interest in intensification reflects emerging housing market trends, changing urban population profiles and the economics of new housing construction, in particular new private rental apartments. In addition, the interest in intensification as a means of meeting some of the future housing needs in Ontario stems from a number of factors not the least of which is the economic restraint under which governments at all levels now find themselves operating and the prospect of similar conditions prevailing over the next several years. These restraint conditions have caused some governments to cut back on or freeze spending on new facilities and services and seriously assess the efficiency with which existing facilities are used. The argument in support of intensification to provide additional housing is, in part, due to these economic restraints and the potential that may exist for increasing the number of households being served by the existing urban infrastructure.

This study defined 7 basic forms or models of conversion and infill that meet the above definition of intensification:

- 1) changing grade-related type dwellings from single household use to accommodate a number of unrelated households or individuals with no or minor physical alterations (e.g. small group homes for seniors and rooming houses or a roomer in an owner-occupied dwelling)
- 2) changing grade-related type dwellings from single household use to self-contained accommodation for more than one household through physical alterations (e.g. duplexes, triplexes, etc.);
- 3) building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units;
- 4) building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development);

- 5) building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building);
- 6) converting existing obsolete non-residential space to residential use (e.g. over stores along arterials); and
- 7) building new multiple residential units on vacant or near vacant sites in commercial areas (e.g. mixed-use projects in core areas).

While Models #6 and #7 are critical forms of intensification, the opportunities and constraints related to these models are well researched and documented. In fact, in the past few years the Ministry itself has conducted two investigations into the potential for residential and mixed commercial and residential infill development in the core areas of Ontario municipalities. This study concerned itself solely with investigating conversion and infill potential in existing residential neighbourhoods because of the paucity of good information that exists on the subject. In particular, emphasis was placed on the conversion models and their potential application to the 1.2 million grade-related owner occupied dwellings in Ontario urban centres of more than 10,000 people.

Models #2-5 are graphically illustrated in Figures 1-6 on the following pages. These figures provide just a few examples of the multitude of different physical forms the various types of intensification could take.

The examination of the opportunities and constraints associated with the creation of additional housing by means of the 5 models is examined in terms of:

- the physical potential of intensification vis-a-vis such issues as the convertability of various house forms, current intensity of use and the opportunities for infilling around or adding to existing dwellings;
- the economics of intensification in respect to the costs of creating new accommodation and rents required to pay for this accommodation as well as the economic impact of intensification on municipalities;
- the supply process or who could and would undertake various forms of intensification and the motivations for doing so as well as the capability and attitudes of the construction industry and lenders to facilitate intensification activities;
- the market demand for various types of accommodation that could result from intensification among various segments of the tenant market;
- community and neighbourhood impact and resistance that may occur as a result of or in anticipation of increased intensification activities in the various types of neighbourhoods that are traditionally found in the urban fabric of Ontario municipalities;
- government policies and regulations and in particular, municipal official plans and zoning by-laws.

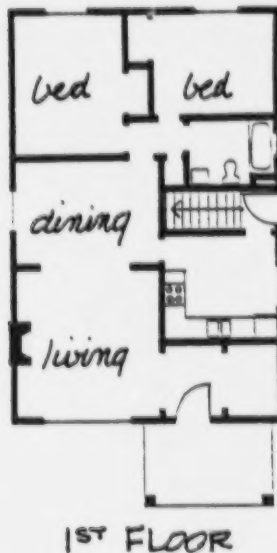
FIGURE 1 — Model 2

BUNGALOW CONVERSION

- a self contained one bedroom unit is provided in addition to the existing ground floor unit
- existing basement stairs are located adjacent to the back entrance facilitating conversion
- window wells or excavation to create a sunken patio can increase natural light for a basement apartment
- if the basement is already finished and/or a bathroom is in place, the conversion is likely to be less costly



BEFORE



AFTER

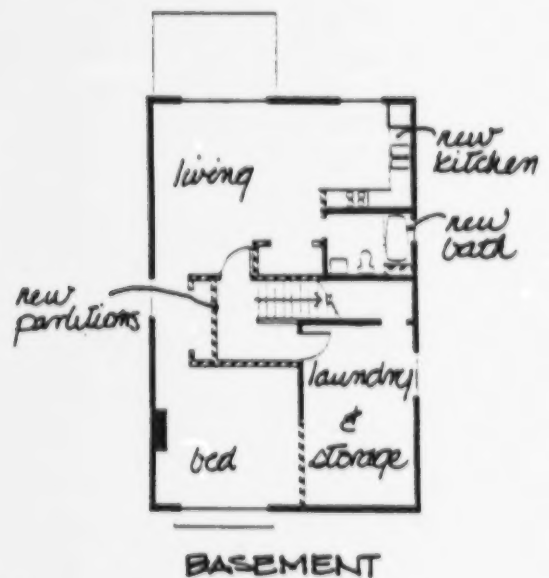
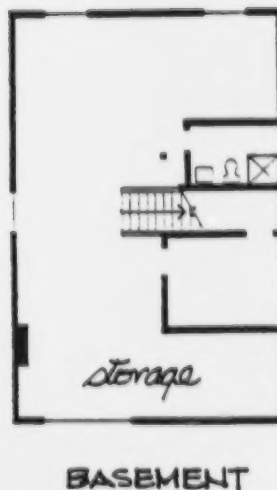
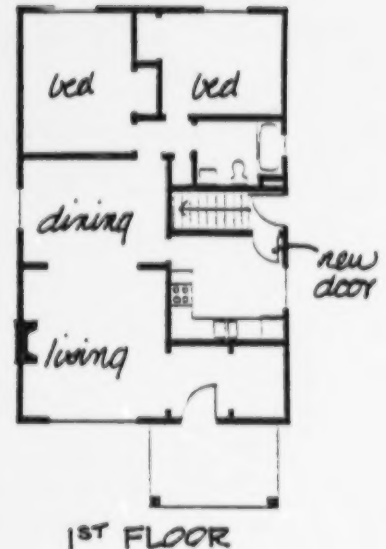


FIGURE 2 - Model 2

CONVERSION OF A THREE STOREY SEMI-DETACHED HOUSE

- the house is converted to provide a one bedroom unit on the ground floor and basement and a two bedroom unit on the second and third floors
- stairs and entrances are generally found on the party wall of semi-detached homes. This plan form lends itself readily to natural hall circulation
- decks can be added to second or third floors to provide additional space
- a larger house such as this provides more options for conversion. The house could be converted in a number of ways including three or four self-contained units, one on each floor or leaving the existing basement and converting to provide a bachelor apartment on one floor and a two bedroom apartment on the remaining floors



BEFORE

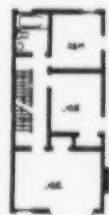


3RD FLOOR

AFTER



3RD FLOOR



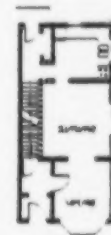
2ND FLOOR



2ND FLOOR



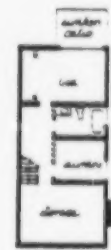
GROUND



GROUND



BASEMENT



BASEMENT

FIGURE 3 - Model 2

CONVERSION OF A TWO STOREY DETACHED HOUSE

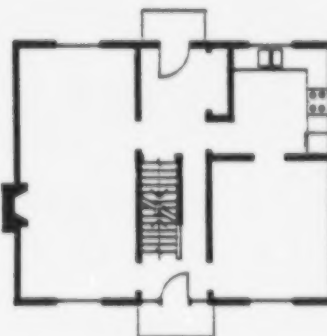
- the house is converted to provide a one bedroom unit on the ground floor and a one bedroom unit on the second floor
- the centre hall plan of this house is not as easily adaptable as the side hall plan of the previous illustration. The resulting circulation pattern within the units tends to be from room to room rather than off a hall



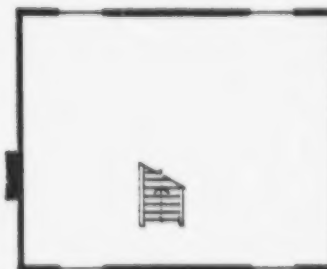
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2ND FLOOR

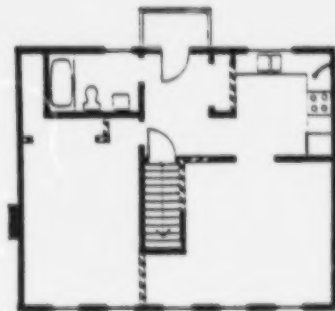


GROUND

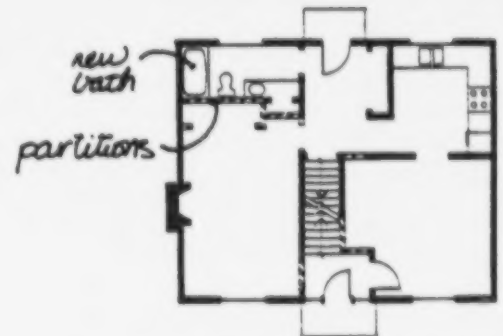


BASEMENT

AFTER



2ND FLOOR



GROUND



BASEMENT

FIGURE 4 – Model 3

VERTICAL ADDITION

- a second storey is added to an existing bungalow to provide a second self-contained dwelling unit
- as the ceiling of the ground floor unit is exposed during construction, timing and weather are important concerns in planning for this type of addition



HORIZONTAL ADDITION

- an existing garage is converted to residential space and provides a bachelor unit
- garages frequently have an existing back door and windows which can be incorporated in the conversion
- if the plumbing in the existing house is on the side of the house adjacent to the garage, the addition is likely to be less costly
- as this unit is grade related and provides access without stairs, it is particularly appropriate for a "granny unit"

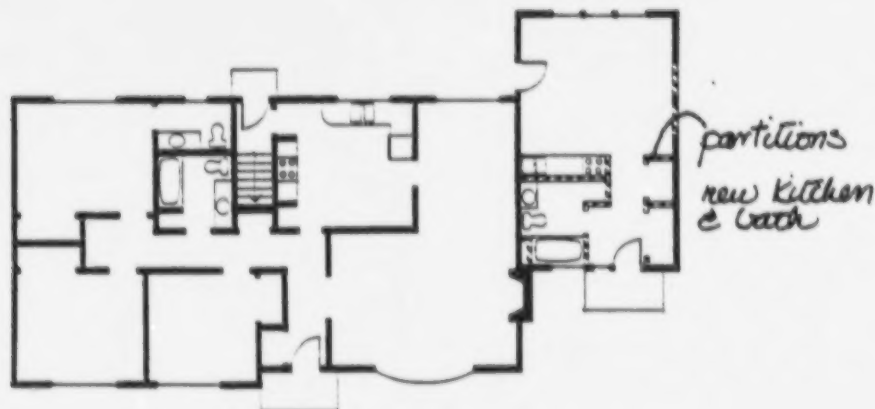


FIGURE 5 - Model 4

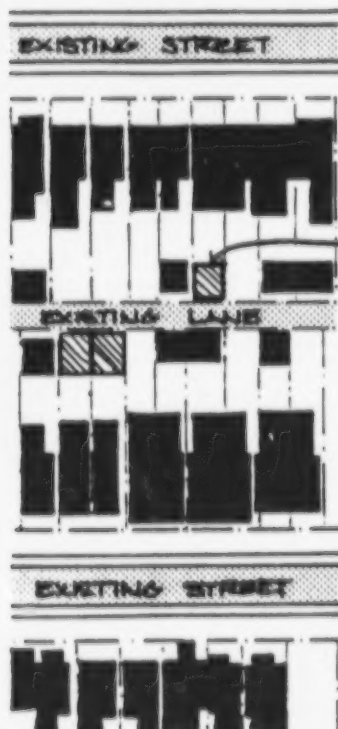
BACK LOT INFILL

- new housing units are built at the back of the lots on which there are existing houses
- access is from a back lane in one example and from the street using the side driveway in the other
- the length of the lot and the location of the house on the lot are critical factors. Generally urban land use patterns will accommodate this type of infill more readily than suburban land use patterns where the house is typically situated close to the centre of the lot
- the new housing could provide more than one unit or larger units by building more than one floor

BACK LANE ACCESS



SIDE DRIVE ACCESS



INFILL

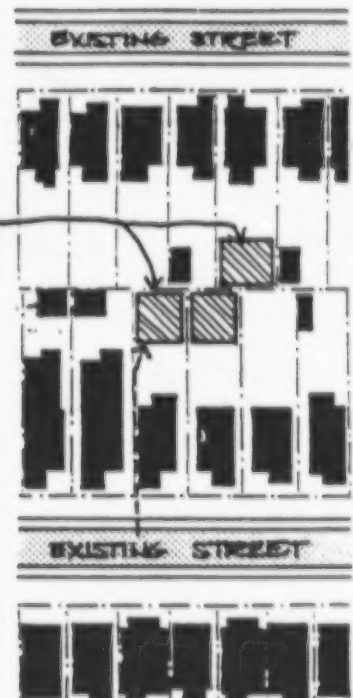
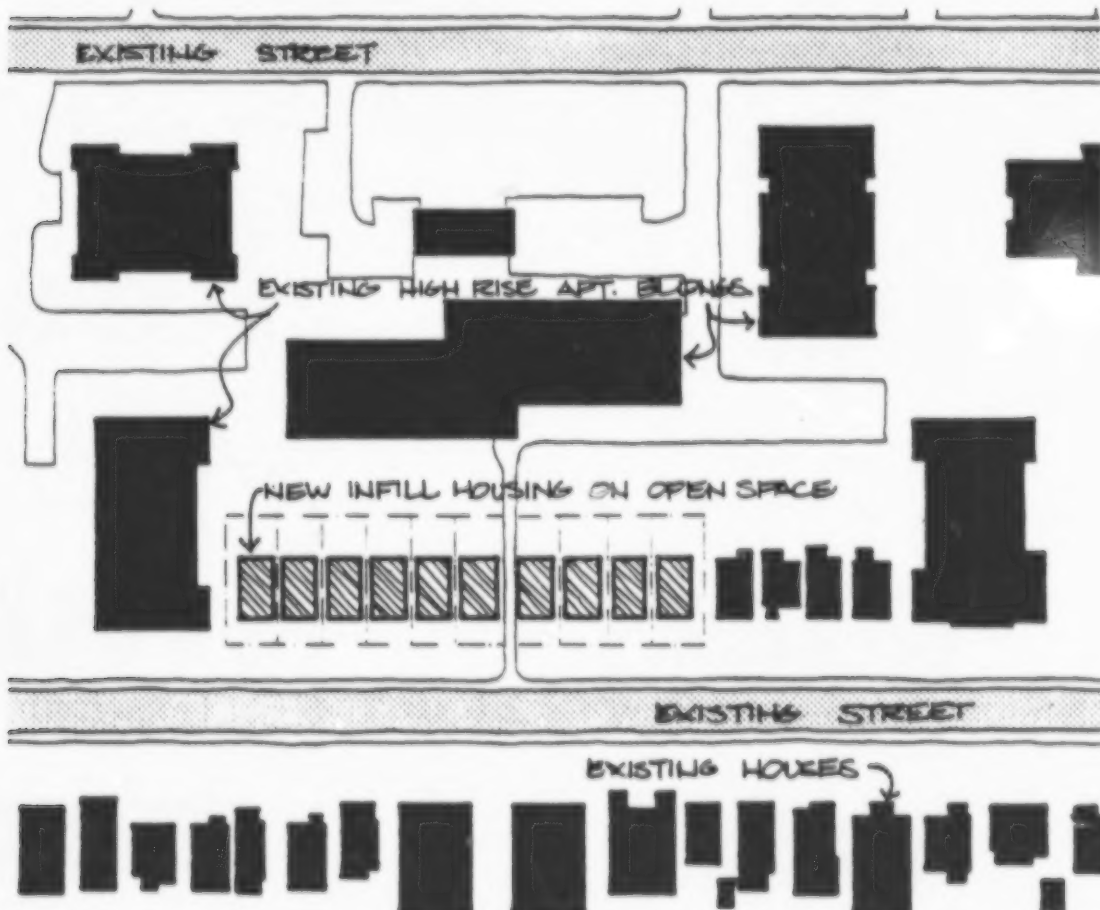


FIGURE 6 - Model 5

INFILL ON APARTMENT GROUNDS

- a number of single family houses are shown as infill in the landscaped open space of a high rise apartment building. The new housing could also take the form of semi-detached housing, row housing or low rise apartment structures
- the housing type could be selected to be consistent with the surrounding neighbourhood
- existing underground garages for the high rise apartment buildings often have surplus spaces which could be used for the new infill housing



PART 3.6

MUNICIPAL AND PROVINCIAL POLICIES AND REGULATIONS

This study was prepared for The Ontario Ministry of Municipal Affairs and Housing and The Association of Municipalities of Ontario. The author wishes to acknowledge the contribution of Anna Fraser in the research, analysis and drafting of this study and the contributions of the other consultants and study participants. The opinions expressed are the author's own and do not necessarily represent either M.O.M.A.H. or A.M.O.

Prepared by: Peter A. Milligan of
Walker, Poole, Milligan

1.0 INTRODUCTION

The focus of this portion of the investigations was to assess the opportunities and constraints presented by the existing relevant municipal and provincial legislative fabric in Ontario to the intensification of existing residential neighbourhoods.

The success of programs for increasing housing stock through intensification will be significantly controlled by the legislative and regulatory environment within which they are promoted. Official plans and zoning by-laws enacted under the Planning Act, Ontario Building Code provisions and other local regulations provide the specific framework in which attempts at intensification currently proceed and the environment within which more aggressive programs would necessarily have to proceed. If the environment created by existing legislation and regulations is found to be harsh or hostile, then little weight can be given to the supply that would be generated by intensification.

The analysis which follows firstly examines how such legislation and local regulation presently responds to intensification by use of the five intensification models as measurement and reference points. By measuring the extent to which these five models are constrained, certain conclusions were reached as to aspects of legislation or local regulation which would have to be specifically addressed in order that residential intensification could be encouraged.

Official plans contain programs and policies designed to secure the health, safety, convenience or welfare of the inhabitants of an area and they have, to some degree, served as a recognition of community expectations insofar as issues of overall development are concerned. The new Planning Act will refocus the present notion of "Official Plan" to the extent that the legislative emphasis will be the issue of physical development of the municipality, taking into account social, economic and environmental matters as found relevant. To this end, the entire issue of housing, its creation, conservation, and access to various income groups, should be central to the official plan document.

The zoning by-law, in implementing the objectives of official plan policies, directs itself specifically to the regulation of the use of land to ensure the orderly development of the community. What is not often fully appreciated is the extent to which zoning, in this perceived regulatory function, expresses the socio-economic expectations of the community. Acting as a rigid tool, zoning will achieve not only the development of a community, but ensure its perpetuation, protecting those who live in it from change that might be sensed as negative or potentially destabilizing to the existing fabric.

By definition, intensification activity presents change. A more efficient use of the urban fabric and, in particular, its housing stock necessarily implies a departure from existing circumstances. The extent to which intensification

activity confronts existing regulations and their underlying policy rationales must be measured so that the extent of the constraints on such activity can be fully assessed.

To examine the nature and extent of the constraints present, the policies and regulations of each case study municipality have been examined. Once identified, these constraints (primarily but not exclusively zoning) have been tested against each of the five models to ascertain the existing level of constraint insofar as that particular model is concerned. By arraying the various regulatory provisions in this manner, one can establish whether the particular model would be permitted "as of right" or would require relief from one or more of the constraints identified. Additionally, in cases where the development of a particular model would require relief, the extent of such relief can be measured and certain observations made regarding the potential level of regulatory resistance that would be encountered if the model were proposed for actual development.

In proceeding with the regulatory review, all of the municipal by-laws were discovered to contain some form of housing conversion provision. One of these, contained in the City of Hamilton by-law, has been in existence for more than thirty years. This somewhat surprising discovery provided an opportunity to examine the practical application of conversion provisions in the case study municipalities where found, as well as an opportunity to attempt to trace their legislative and political history. These existing conversion provisions have also been tested against the relevant intensification models to ascertain the extent to which they could be subjectively interpreted as representing constraints or opportunities.

The existence of these conversion provisions is interesting recognition that the conversion scenario has, to some extent, been a fact of life in Ontario for some time. The contents of these provisions have assisted in our identification and review of the performance standards which seem to attach to conversion-related activities such as the minimum age of a dwelling that may be converted or a prohibition against increases in floor area or external change to the structure. By analyzing the use, or arguably the abuse, of such provisions as well as their utility and potential for application, a clearer picture has been obtained of community concerns regarding conversion in the case study municipalities as reflected by the local by-laws.

An additional surprising element encountered in the course of this study was the discovery of significant numbers of illegally converted housing units in the case study municipalities. While not all existing converted dwellings are illegal, a significant number of converted units appear to be illegal from one or more perspectives. Many are illegal because they were converted without a building permit and in all probability offend provisions of the Ontario Building Code and any local building regulations. Both building without a permit and offending the Building Code create an illegality. Still other units are illegal because they are located in an area zoned to prohibit converted dwelling use and were created subsequent to the enactment of the by-law creating the permitted use category. It is entirely possible that such

converted dwellings offend both the Building Code and the local zoning by-law. The existence of a substantial stock of such units was recognized as contributing in a meaningful way to meeting the demand for housing which in the case study municipalities was partially reflected by low vacancy rates for rental accommodation. In focussing on the rather sensitive issue of illegal units, some effort was directed to ascertaining the causes for their creation. Whether created in pure ignorance of regulation, as a result of economic necessity, or simply to profit from the demand for these units, there is little argument that they are essential in meeting present demand. If subjected to a concerted enforcement program, a significant number of units could be lost from the amount of housing stock available and, if left unreplaced, could result in further pressure being exerted on an already pressurized and explosive shortage of affordable rental housing in Ontario.

The final issue to be examined was that of how the present development and building approval processes, through which various development proposals for intensification might have to pass, impact on intensification. The concern here was that significant constraints would be discovered which would act as real discouragements to the creation of additional housing units through conversion and infill activity. To this end, the approval process was examined on the basis of its complexity - e.g., its ability to be comprehended and navigated by members of the community at large; its application to the five models; and the time and expense necessarily involved in obtaining such an approval.

Sections 2 through 4 of this paper examine whether or not the five models would be permissible in any area within the six case study municipalities and, if so, subject to what conditions. Section 5 examines the possible impact the Ontario Building Code might have on intensification, while Section 6 looks at the implications of existing local development and building approval processes on such activity. The final section of this paper addresses the issue of existing illegally converted dwellings.

Appendix A provides a detailed listing of all of the policies and regulations in the six case study area municipalities that apply to the five different models of intensification. Appendix B includes more detailed discussion on a number of issues raised in Sections 3 and 4 pertaining to the regulations contained in Appendix A.

The analysis is based on a review of the municipal regulations and, to an extent, information obtained from key informant interviews. While, in theory, it is possible to ascertain if an intensification proposal can proceed by applying the performance standards in the regulations, it was discovered that it is, in fact, the practical and sometimes subjective implementation of these provisions that determines if intensification will actually be permitted. Key informants provided essential insight into the local attitudes and, often, as a result of those attitudes, the implementation approaches taken to intensification initiatives.

2.0 SUMMARY OF THE IMPACT OF OFFICIAL PLAN AND BY-LAW PROVISIONS OF THE SIX CASE STUDY AREA MUNICIPALITIES IN RELATION TO THE FIVE INTENSIFICATION MODELS

While the official plans examined contain policy statements, they are, in most instances, so general as to be of little practical direction as policy tools for intensification activity. The primary controlling instrument is the zoning by-law of each municipality. Requirements of the Ontario Building Code (OBC) must always be complied with, which can prevent certain forms of conversion and infill regardless of how permissive zoning might be, especially with regard to set-back requirements. In addition, some municipalities have local building or housing standards by-laws over and above the OBC requirements.

Model #1 which achieves intensification with little or no physical alteration is an intensification opportunity virtually unconstrained by zoning save for limits placed upon the number of occupants a dwelling might be permitted to contain. Municipalities have, in the past, attempted to restrict occupancy to the traditional 'extended' family by defining family in such a way as to restrict occupancy of a dwelling insofar as unrelated individuals were concerned. However, judicial consideration of this issue by the Supreme Court of Canada has determined that a valid exercise of the zoning power cannot extend beyond dealing with the matter of how many individuals may occupy a dwelling. Zoning by reference to the relationship of individuals sharing accommodation would not be permitted in various use zones of the case study municipalities. Model #1 is therefore permissible in each case study municipality subject to whatever valid limitations are placed on occupancy.

Model #2 which involves changing grade-related type dwellings from single household use to multiple household use through physical alterations (self-contained accommodation) requires examination and comparison of the broadest range of municipal regulations and the lengthy analysis required for this model provides answers for a number of other models which will be analysed later in this volume. Because of the extent and complexity of the information to be analysed, the detailed discussion of this information forms Appendices A and B of this volume. The following comments with respect to Model #2 then are a distillation of the analysis and investigation more fully set out in the appendices.

As already discussed, official plans, with rare exception, provide little more than tacit support for intensification and, then, in only the most general of language. In order to proceed with an intensification proposal such as Model #2, the regulatory environment that confronts the proponent consists primarily of the local zoning by-law, the requirements of the Ontario Building Code (OBC) and the municipal building by-law, where one exists. With the advent of the Ontario Building Code in the mid 1970's, many municipalities moved away from local building by-laws and replaced them with the uniform standards as set out in the OBC. Examples of case study municipalities which adopted this route are Kingston and Woodstock. North York, Toronto, Ottawa and Hamilton have building or local housing standards by-laws which go beyond certain of the standards contained in the Ontario Building Code.

Zoning by-laws dictate permitted uses and certain other performance standards such as lot size, parking requirements and density while the OBC and any municipal building by-laws dictate the standards of construction. Taken together, these regulations can act to prohibit conversion in all but the most limited circumstances. While all of the case study municipalities contained conversion provisions in the by-laws, the opportunities for actual conversion tends to be very limited.

Performance standards relating to such matters as minimum size of front, side and rear yards, set-backs, height, landscaped open space, minimum size dwelling unit, number of dwellings per lot and parking requirements were found to create constraints to Model #2 which varied from one case study municipality to another. Intensification activity in the form of Model #2 would conflict with single-family use designations which apply to a significant amount of the housing stock available for conversion.

'As of right' opportunities for intensification in the form of Model #2 were limited even in those areas of case study municipalities in which the conversion provisions of the respective by-laws applied. The various further performance standards relating to such matters as age of the dwelling to be converted, limitation on increases to the internal cubic content of such dwellings and restrictions on external alteration found in the conversion provisions limited opportunities for 'as of right' activity to occur in respect of Model #2.

Model #3 achieves intensification through the building of an addition, either horizontal or vertical, to achieve an increase in the number of dwelling units or through the erection of an entirely new attached dwelling unit. Opportunities for intensification in the form of Model #3 in the context of the various zoning by-laws of the case study municipalities reviewed can be described as minimal. In addition to satisfying the traditional array of restrictive performance standards already mentioned with regard to Model #2, the conversion provisions of several of the case study municipalities placed severe limitations on conversion which would require external alteration if not prohibiting it altogether. The additional zoning provisions in question relate to an apparent emphasis on the retention of the physical appearance of the dwelling which, in most cases, represents a single-family character of a neighbourhood.

Model #4 and Model #5 involve intensification by means of infill type development. Model #4 is the erection of additional dwelling units in a back or side lot configuration, while Model #5 achieves intensification by infilling new dwellings in areas of landscaped open space surrounding high-rise apartment buildings. Performance standards contained in the zoning by-laws reviewed would not, other than in the most exceptional case, permit such intensification to proceed without some review and, in most instances, without by-law amendments. Such development proposals would, in our view, rightly attract the development review process. If the development contemplated the creation of a 'lot' for purposes of sale of the unit in question, it would be necessary to seek a severance to create the lot. Such applications would require the consideration of the appropriate Committee of Adjustment or Land Division Committee.

3.0 CRITICAL ASPECTS OF MUNICIPAL BY-LAWS THAT NEED TO BE ADDRESSED TO ENCOURAGE CONVERSION ACTIVITY AS PER MODELS #2 AND #3

3.1 History of Conversion Provisions

As noted above, a somewhat surprising discovery made in the course of the study was the existence of conversion provisions in each of the zoning by-laws of the case study municipalities. Other than the recently detailed study in Thunder Bay regarding conversion which has led to amendments to both its official plan and zoning by-law, there is little evidence that intensification, as a means to a more efficient use of urban infrastructure and existing housing stock, has been the subject of serious detailed municipal policy review. Our own review did not disclose that any of the conversion provisions examined was the result of an extensive consideration of issues regarding intensification or, for that matter, were created in response to a perceived need to encourage such activity.

The conversion provisions encountered in the course of our review are, in fact, "knee jerk" reactions to conversion activity. They appeared to be enacted to limit the activity geographically, to certain types of house forms, or to array a number of performance standards as a impediment to such activity. On the basis of our review and the discussions held with key informants, we concluded that these older conversion provisions amount to attempts to maintain the community and its existing fabric by limiting opportunities for conversion in amount, appearance, location, unit size and other similar matters.

We attempted to identify the reason for the creation of existing conversion provisions in the various by-laws as a means of shedding some light on issues we might need to address in our own analysis. As already stated, nothing was uncovered which would indicate that their creation resulted from initiatives being taken to promote intensification through conversion of dwelling units. In fact, key informants were unable to shed much light at all on reasons for their existence. We were told in Hamilton that section 19 of the by-law had been in the by-law from its initial adoption in 1950. Apparently, the provision was a response to indiscriminate conversion activity being carried out immediately subsequent to World War II when the demand for housing by those returning from overseas and the pressure of deferred family formation resulted in significant housing shortages.

In Ottawa, no light was shed on any specific reason for its conversion provision. Kingston, on the other hand, like Toronto, appears to have enacted provisions as a reaction to community concern of one form or another. The Kingston provisions are a tool used in that municipality's attempt to constrain and control conversion activity directed primarily toward the student market. Toronto's provisions are so clearly onerous and limited geographically as to compel the conclusion that Toronto strongly discourages such activity. North York's conversion provision is also severely limited in its geographic application. We were advised that, in North York in the two

areas to which the conversion provision applies, there is little or no opportunity in the housing stock for conversion to take place. Again, a rather strong discouragement to conversion activity is present.

It is on the basis of the above that the conclusion has been drawn that existing conversion provisions when found, tend to represent local decisions to restrict, if not discourage, conversion activity. This does not mean, however, that further consideration of these specific provisions is not necessary. The following discussion examines the performance criteria contained in these existing conversion provisions and identifies the issues raised by them. Their possible use and effect is commented upon in terms of a program which would promote intensification; a program which is based upon certainty.

In Appendix B the various regulatory instruments and policy statements are commented upon and in Appendix A they are set out against the five models and analyzed on an opportunity and constraint basis. In addition to testing the various performance standards in each by-law against the models, Appendix A provides further analysis on the basis of the issues which necessarily arise from inclusion of that particular performance standard as a prerequisite for conversion.

3.2 Environment Predicated on Certainty Necessary to Promote Intensification

Fundamental to the encouragement of intensification of residential neighbourhoods by conversion is the administrative environment within which this activity would occur. In all but Hamilton and Kingston, we found the areas in which intensification by conversion could occur to be extremely limited. The establishment of zoning performance standards for conversion beyond the more traditional types of general performance standards were identified as significant constraints to intensification. The severity of these zoning performance standards and, in some cases, their subjective nature would attract bureaucratic consideration of intensification proposals. The potential interest in intensification which has been identified on both the demand and supply side is acknowledged as being somewhat fragile and could easily be discouraged by a regulatory system that allows for this type of administrative discretion and judgment to be applied to some intensification proposals. We are firmly of the view that a program for intensification must encourage the adoption of amendments to local zoning and official plan statements based on certainty which will allow, as nearly as possible, a potential convertor to proceed 'as of right' without the necessity of time-consuming and expensive bureaucratic review and approval steps. The more objective the standards adopted are, the greater the certainty and, therefore, the less likely it is that potential convertors will be discouraged. We are aware of community concern over certain forms of intensification and recognize that a system containing administrative review might go some way to alleviating these concerns. In other jurisdictions, consideration has been given to the use of permit zoning procedures. The Planning Act (prior to the enactment of Bill 159), in our view, did not provide a sufficient legislative

basis for such a system. The essential ingredient to a program to promote intensification through conversion is objective and certain standards which lead to issuance of building permits without necessity of subjective administrative review.

While it is acknowledged that conversion activity may not be appropriate universally for a particular municipality, it must be emphasized that this type of conclusion can only be reached by proper analysis of the municipality itself. Other than Woodstock, which has attempted to define its prime conversion area by the area designated for R.R.A.P. funds, there was little evidence that any real attempt was made to identify areas of opportunity within the various case study municipalities as a basis for application of their particular conversion provisions. We believe it is essential for this type of physical investigation of opportunities to occur and to be clearly directed to the goals to be achieved. These goals could include for example:

- . stimulating a more efficient utilization of urban infrastructure and housing stock;
- . stimulating the creation of moderately priced small rental units;
- . preserving the existing stock of older, larger downtown houses.

Once a municipality has identified in this rational manner the areas in which various types of intensification would be permitted, it would seem to us that, as a matter of practical and rational application, every attempt should be made to avoid the inclusion of criteria or specifications in any definition of a "converted dwelling" or a "converted dwelling unit" in the zoning by-law. Such specifications should be dealt with as conditions that have to be met to obtain a building or development permit as in the case of other forms of development.

3.3 Definitions

All but one of the by-laws examined contained a definition to describe a house which, for purposes of application of the by-law, had undergone alteration through the inclusion of a converted unit.

The Hamilton by-law defines:

2(2)A(iv) "Dwelling, converted" shall mean a dwelling altered from a dwelling to make a greater number of dwelling units,...

The Woodstock by-law is similar in providing:

2.36.7 "Converted Dwelling House", means a dwelling house which has been altered or converted to provide two or more dwelling units.

The essential ingredient in each definition is the reference to the incorporation of additional dwelling units which in turn is recognition that the accommodation being created is unitized. By this, we mean that each will have its own sanitary and culinary facilities. Without such separate

facilities, the accommodation created would be nothing more than rooms in a rooming house or boarding-type accommodation which is usually separately recognized by zoning by-laws.

Several of the by-laws had definitions incorporating specifications or criteria beyond describing the concept of what the unit is - i.e., a self-contained housing unit that is incorporated into an existing house form. For instance, in Ottawa, the definition states:

34V. "converted dwelling" which means an existing dwelling on an existing lot in which the number of dwelling units has been increased without alteration to the exterior of the building except for the required fire escapes, extra windows and entrances and provided that the building when converted complies with the provisions of the "building by-law" and the parking provisions of this By-law, By-Law 311-65. (emphasis added)

Each by-law, with the exception of Woodstock and Hamilton, contained an age criterion in its conversion definition. The age criterion for North York, for example, follows:

2.32.1 "Dwelling Converted" shall mean a dwelling more than thirty (30) years old altered to contain a greater number of dwelling units.

Once a municipality has identified through study the areas in which various types of intensification would be permitted, it would seem to us that as a matter of practical and rational application, every attempt should be made to avoid the inclusion of criteria or specifications in any definition of a "converted dwelling" or a "converted dwelling unit" in the zoning by-law. Such specifications should be dealt with as separate performance standards to be met to obtain a building or development permit as in the case of other forms of development. For the same reason, it would also appear to us that the lack of properly drafted definitions altogether (definition by reference) is not attractive.

3.4 Constraints Based on the Age of Dwelling to be Converted

All of the case study municipalities with the exception of Woodstock had specific provisions in their by-laws relating to the minimum age of dwellings that could be converted. For example:

5.23 ...such dwelling was erected as a one-family dwelling before 1941; (Kingston)

or in Hamilton

19. Notwithstanding anything contained in this By-law, any dwelling erected prior to the 25th day of July, A.D. 1940, may be converted so as to provide a greater number of dwelling units....

From our discussions with key municipal informants, it is apparent that these constraints were created in an attempt to direct conversion activity toward the larger, older downtown homes or to discourage new housing from being built specifically for the purpose of potential conversion. An example of newer dwellings being recognized as candidates for conversion is contained in the Toronto zoning by-law which provides:

2(46) (i) "converted dwelling house" means a dwelling house, originally constructed as a private detached dwelling house or one-family dwelling house, (other than row housing) which, including any addition made prior to conversion, is at least five years old,...

This type of age restriction is utilized to discourage new housing from being built specifically for the purpose of potential conversion or the misuse of conversion policies as a way to achieve two-family type development where, as a matter of stated policy, it is not encouraged.

In our opinion, age restrictions should be removed from the by-laws, letting the other performance standards in the zoning by-law direct conversion activity. If the age of the dwelling is deemed to be an important policy consideration in a particular municipality, the date to be used should be established with certainty. It must be pointed out, however, that age as a criteria could greatly reduce opportunities for conversion to occur by limiting the stock available for conversion. In particular, any form of age criteria would, by its nature, limit production of new dwellings that might be built for possible conversion and, for that matter, would remove any impetus for designing housing in ways which would facilitate conversion at some later date.

3.5 External or Physical Change

Of the six municipal by-laws reviewed, only two (Woodstock and North York) did not contain a specific constraint regarding external or physical change to the dwelling which is the subject of a proposed conversion. For instance, in the case of Ottawa, conversion could only occur

34V. ...without alteration to the exterior of the building except for the required fire escapes, extra windows and entrances...

Similarly, Kingston's by-law provides:

5.23 iv) there is no change, addition or enlargement made to the external walls or roof of the dwelling.

The City of Toronto constraint against physical alteration can be interpreted as being somewhat more flexible as is demonstrated in its conversion provisions for R1F Z2 areas:

6(6) (iv) no exterior addition to or major exterior alteration of the dwelling house is made and its appearance as a private detached dwelling house or semi-detached dwelling house is not materially altered.

The Hamilton provisions may also be interpreted as expressing a somewhat flexible position with respect to external alteration:

19. (iv) that there shall be no outside stairway other than an unenclosed fire escape:

(v) that the external appearance and character of the dwelling is preserved;

None of the case study municipality by-laws contained a provision similar to that proposed for the City of Thunder Bay which would permit additions to a maximum of 10% increase from size of building at the date of the passage of the by-law at the rear or on the top floor of a building provided the required front and rear yard and maximum lot coverage standards were met.

The obvious intent of external physical change provisions is to maintain the existing character of an area and to ensure that the intensification activity that does occur is imperceptible to anybody other than the careful viewer. The issue of external appearance is a sensitive one and municipal officials throughout the key informant interviews consistently identified that local residents were resistant to conversion which would alter the existing character of the neighbourhood. This concern was borne out in the results of the opinion survey done as part of the overall study.

In our view, constraints on external physical change act to significantly curtail opportunities for conversion, in particular, conversions which can only be achieved (for design or Ontario Building Code reasons) through building an addition vertically or horizontally to allow a grade related dwelling to be changed from single household to multiple household use (i.e. Model #3). The erection of such self-contained accommodation is prohibited by this type of provision, other than in the case of the two municipalities with no constraint and in Hamilton, where, if one can demonstrate that the external appearance and character will be preserved, notwithstanding the addition, conversion might be permitted.

Obviously, the issue of external appearance is a sensitive one. While we are of the opinion that any series of conversion provisions should lead as frequently as possible to conversion "as of right" and site-by-site approval should be avoided to prevent unnecessary bureaucratic review with the concomitant expense in time and money on the part of the applicant, as well as on the part of the municipality, these conversion provisions at the same time, must respect the legitimate concerns of the residents. Overly subjective statements such as those found in the Toronto and Hamilton zoning by-laws, should be avoided. Provisions dealing with such matters as 'material alteration' and 'character' are vague and uncertain and can therefore easily give rise to abuse. Such provisions are nothing short of opening Pandora's box. This is not to say that external alteration/physical change cannot be adequately addressed. For example, a performance standard requiring that:

'the external appearance of the dwelling continues to resemble a private dwelling house' or, 'the dwelling house maintains its external appearance as a private detached dwelling house'

would address the concern relating to maintenance of the perceived nature of the neighbourhood while at the same time allowing the prospective converter ample flexibility to accommodate conversion through structural external alteration. Such language would be understandable and, therefore, be easily applied as a performance standard.

3.6 Specifying Unit Sizes

Several important issues are raised by specific constraints that establish minimum or maximum sizes for new dwelling units created through conversion. To properly focus these issues, reference should be had firstly to the Ontario Building Code minimum size for a unit. Subsection 9.5.3 of the O.B.C. establishes the minimum size for a unit by establishing minimum areas for the various components of a dwelling unit which when accumulated will contain a minimum of approximately 265 square feet. This would include what is described in the Code as the living, dining and bedroom spaces as well as kitchen and sanitary facilities. The O.B.C. is commonly acknowledged as consisting of building requirements to minimize the risk of injury and property damage from structural failure and fire and health hazards.

With this as a minimum, it is most interesting to note the minimum unit constraints for converted dwellings as found in zoning by-laws of the case study municipalities:

Hamilton:

19 (iii) That each of the proposed new dwelling units has a floor area of at least 65.0 square metres (699.65 square feet)...

Toronto:

6(6) (ii) The average of the dwelling areas of both or all of such dwelling units is at least 110 square metres. (iii) the area of each dwelling unit is at least 55 square metres (592.03 square feet)

Woodstock:

10.2.3.13 Dwelling Unit Area for Duplex Dwelling Housing and Converted Dwelling House Minimum 45 m² (484.39 square feet).

Ottawa:

39(b) (iii) (B) Each dwelling unit created has a minimum floor area of thirty-seven square metres exclusive of halls and stairwells, (398.27 square feet) and (C) the total habitable floor area in the original dwelling is one hundred and thirty (130) square metres or more before conversion.

Only North York was silent in its by-law on the issue of minimum converted unit size. All others have provisions substantially in excess of the O.B.C. minimum ranging from approximately 150% to 265% of the prescribed minimum.

Admittedly, a 265 square foot dwelling unit does not necessarily coincide with the public's notion of spacious or comfortable housing. However, the minimum unit size constraints discovered by us illustrate how such constraints can be used effectively to restrict demand for such units on the basis of affordability. By specifying an excessive minimum unit size, the converted units created can only cater to those in a position to afford this more spacious accommodation.

Traditionally, zoning and its included performance standards have been viewed as having an underlying purpose of establishing and maintaining standards within the community which enhance and preserve quality of life within it. The necessity for employment of external controls for the preservation of standards can, when the will of the community is acted upon, result in the erection of protective regulatory barriers to community change that is perceived as negative. Obviously, low to moderate income earners, the young or the single may, in many cases, be viewed as unattractive additions to a community. Larger units with their concomitant larger rents and security deposits can act as a very effective barrier to those groups. It is also possible that creation of large expensive units actually encourages occupation by groups of unrelated wage earning people as a method of cutting housing costs.

The size of the unit may also adversely impact in circumstances where the potential occupant is an "empty nester". As was pointed out in a study prepared for the American Planning Association on the issue of accessory apartments:

Specifying that the accessory apartment be a maximum or minimum size or percentage of the total house generally implies that the home owner will stay in the larger unit. In practice, the older homeowner who wants to will move to the smaller unit. (Accessory Apartments; Hare, Patrick H.; American Planning Association; Report Number 365)

In our view, there is much to be said for an approach which avoids the specification of minimum, maximum or average units sizes whatsoever. It would seem that the OBC minimum which is predicated on the basic issues of health and safety is sufficient. Whether or not OBC minimum sized units would result can be left to traditional market forces or the specific needs of the owner-occupant.

3.7 Parking

In our initial internal discussions, the issue of parking was focussed upon as likely being the most significant individual site performance standard to be examined. Our subsequent investigation, while not supporting this view entirely, does confirm that parking is an area of concern, and that constraints have been effectively raised based on parking. It is most interesting, however, to note that the social science survey work undertaken as a part of this overall study indicated that neighbourhoods did not perceive the parking issue as critically as we may have first expected. Parking requirements as found varied greatly, but can be summarized as reflecting the

existing standard for dwelling units in a particular area. This is really not surprising given that the minimum unit sizes previously discussed would be far more likely to generate car-owning occupants than more modest units created with a view toward affordability.

The American Planning Association, in the report noted above, made the rather interesting observation that the traffic to be generated by a converted house would be unlikely to exceed that created by a household with one or two teenagers and that the real but hidden issue is the acceptance of the person who drives the car.

The issue of parking seems to be two-fold. Firstly, there is the issue of whether or not a converted unit should be required to meet the same parking standard as any other dwelling unit. Secondly, there is the issue as to where the parking is to be situated on the lot upon which the converted dwelling unit is located.

With respect to the issue of the parking standard, a significant amount of investigation and analysis was undertaken as part of the Bureau of Municipal Research study "A Case of Bachelorettes", a study of the intensive creation of small unitized dwellings in the City of Toronto. One of the major sets of recommendations of that study had to do with parking standards. Basically, it was proposed:

- . that the City exercise some flexibility in parking requirements for bachelorette units
- . that small units in the Central Area of the City would be adequately served by a parking requirement one-third or one-quarter of the present requirement which is basically a 1 space to 1 dwelling unit ratio;
- . a study of car ownership levels be undertaken to determine realistic parking requirements outside Toronto's Central Area and to establish parking requirements for future conversions which may result in the creation of small units.

On the basis of in-depth discussions with the author of the BMR study, we are of the view that:

- . any parking requirements established for converted dwelling units should be the result of a study of car ownership levels in the municipality as patterns of car ownership and availability of public transportation will vary from municipality to municipality and from neighbourhood to neighbourhood;
- . that a realistic parking requirement be developed on the basis of such parking studies for modestly sized converted units, may be as much as half that required for a standard dwelling unit; and
- . that special attention should be given to the requirements of the senior citizen who may not own a car at all, and that in this regard consideration should be given to further reducing the requirement where such a potential convertor is to be an owner-occupant.

The second issue relating to parking is that of the accommodation of the cars on the site. This is an extremely difficult and complex issue which really includes issues of external alteration. Again, this is an area where we believe that any requirements made should be established on the basis of informed study and, once established, should be specific so as to facilitate an "as of right" system. Basically, we believe that existing standards regarding the nature and location of parking stations are far too rigid and that creative solutions/alternatives can be found (e.g. tandem parking and front yard and back yard parking).

3.8 Maximum Unit Count

Several of the conversion provisions examined contained limitations on the number of units that could be created in a converted dwelling house. With the large minimum unit size requirements encountered, coupled with restrictions on external changes or additions and parking requirements, one might describe absolute restrictions on the number of units to be created as a degree of overkill. Nonetheless, this type of constraint was encountered in both the Hamilton and Ottawa by-laws. In the case of Hamilton, the by-law limits the number of units in a converted dwelling to three, while in Ottawa a converted dwelling is limited to not more than four dwelling units when the lot width is 12 metres or more and no more than two dwelling units when the lot width is less than 12 metres.

By-laws of other case study municipalities were silent on the issue of numbers of units or expressly provided for no maximum number. In our key informant interviews, we were able to confirm that, in these latter cases, it was felt that other constraints and performance standards, such as parking, unit size and residential density controls were appropriate and would adequately control the number of units to be created in any converted dwelling house. In our view, the issue unit count is not unlike that of unit size and we remain of the view that the issue should be determined by economics of the market place as well as standards established on the basis of health and safety.

4.0 CRITICAL ASPECTS OF MUNICIPAL BY-LAWS THAT NEED TO BE ADDRESSED TO ENCOURAGE INFILL ACTIVITY AS PER MODELS #4 and #5

As has been indicated earlier in this study, it is our view that intensification by conversion of existing dwellings is something that is clearly distinct from intensification brought about by infill activity. As noted, the study examined two such infill models: Model #4 would intensify existing residential development by the erection of new dwelling units in a back or side lot configuration; and Model #5 would achieve intensification by the infilling of new dwellings in areas of landscaped open space surrounding high-rise buildings.

Intensification by infill activity represents, in effect, new development. From our discussions with key informants, it became apparent that such 'new development' would be subject to the normal review procedures and application of traditional zoning performance standards. In our view, such 'new' activity as opposed to the modification of existing structures would rightly attract development review procedures.

However, while the nature of infill activity, in our view, would rightly attract closer scrutiny, this is not to say that the standards, e.g. constraints, identified by us in our review of the various by-laws and official plan policies are at present a satisfactory environment to encourage such activity to occur.

The primary constraints or controlling mechanisms relating to Models #4 and #5 are based on the definition of 'lot' to be found in the various zoning by-laws of the case study municipalities. In each case, the zoning by-law contained some form of constraint based upon the notion that a 'lot', as defined, would be permitted to have one dwelling house situated on it. This, of course, incorporates traditional performance criteria such as minimum lot size and frontage which are a most effective constraint to utilize in the maintenance of single family residence areas, particularly in the suburban context.

The one dwelling house per lot provisions would require that intensification proposals as contemplated by Models #4 and #5 proceed through consent procedures as contemplated by sections 29 and 49(3) of The Planning Act so that a new 'lot' might be created to accommodate the infill dwelling proposals.

A further constraint identified was the prohibition against the erection of a dwelling house behind another existing dwelling house. This type of 'house behind a house' development would be accommodated in older downtown areas where deep lots and laneway systems are prevalent as well as in the suburban context where expansive lots were created for single family detached dwellings. The 'house behind a house' prohibition is usually coupled with a prohibition against the erection or use of residential buildings where the lot upon which the building is to be erected does not abut a public highway or street assumed for public highway purposes or improved street.

All of the above constraints effectively discourage intensification by infill in other than the most limited circumstance where a new lot could be created which would meet frontage and size standards for such a lot contained in the zoning by-law and which, of course, would front on a public street of some form.

From our discussions and the experience of various consultants to the study, we are of the view that such constraints are primarily predicated on issues of health and safety. The comment most often made was that street frontage was essential to ensure access to a dwelling by emergency vehicles such as fire trucks or ambulances. Efficient allocation of municipal services such as sewer and water were mentioned along with ease of garbage collection.

While all of these concerns are valid, they appear to be in the nature of site planning issues which could be addressed through the development review process. For instance, the erection of a new dwelling in the back yard of a suburban lot might easily be accessed for emergency vehicles by a private drive located in the side yard area which access would meet standards of the local fire chief. The suggestion that 'house behind a house' provisions and the other companion constraints identified are justified on issues of health and safety seems to us an extreme response to the concerns. The retention of such prohibitions which would necessitate severance activity with its own complexities added to development review would, in our view, likely discourage any significant intensification through infilling.

In our view, municipalities which are interested in encouraging a more efficient use of infrastructure through intensification should not limit the scope of their interest to conversion activity. Opportunities by way of infill are achievable if some consideration is given to a review of zoning by-law constraints already discussed with a view to modifying them to the extent necessary to encourage infill while at the same time maintaining adequate standards for servicing of the infilled dwellings and access to it.

5.0 THE IMPACT OF THE PRESENT ONTARIO BUILDING CODE AND THE PROPOSED RENOVATION CODE ON INTENSIFICATION

The discussion in Section 7.2 of this Volume addresses the issue of zoning non-compliance but does not deal with issues of non-compliance arising from Ontario Building Code standards. In other words, even if illegally converted units were to comply with zoning requirements, legalization could be thwarted by the failure to comply with requirements of the Ontario Building Code. The draft Part 11 - Renovation Code to the Ontario Building Code may ease some of the requirements of the present Code which are directed primarily to new construction. The draft Part 11 directs itself to renovation work which we believe, in many circumstances, is fundamentally different. Although a consistency of performance standard is the goal to be achieved as between new and renovated construction, the latter requires a much greater degree of flexibility on attaining the goal. For this reason, it would seem to be appropriate to suggest greater flexibility as a matter of general application.

We are extremely concerned, however, by the possible effect of Subsection 11.1.2.1 of the Renovation Code which describes the "Eligibility" aspect of the Code as it will relate to residential renovation. Subsection 11.12.1 states that:

11.1.2.1 All existing buildings which have been legally occupied and used for at least five years qualify for compliance with this Part.

The issues of legal occupancy and use for five years are raised and we are most concerned that as occupancy is a matter of use and many converted units will be illegal on that basis, it is essential that this provision be clarified to ensure the relaxed standards of Part 11 are made applicable to illegally converted units.

We would therefore recommend the following:

- . The draft Renovation Code - Part 11 should be brought into effect and be applicable to all existing illegally converted dwellings.
- . The Chief Building Official's discretion with respect to compliance with code requirements should be sufficiently broad to allow departures from code requirements provided the life safety levels are maintained. At present, it would appear that the draft Part 11 does not contain this type of discretion and flexibility to be exercised by the Chief Building Official. Specific "Compliance Alternatives" are prescribed which could potentially result in a rigid approach to problem solving without the knowledge, ability and experience of the Chief Building Official being effectively utilized.

6.0 THE IMPACT OF PRESENT DEVELOPMENT AND BUILDING APPROVAL PROCESSES ON INTENSIFICATION

6.1 Approval Procedures For Conversion

In present circumstances, the right to intensify by converting a dwelling house has been found to be extremely limited. The levels of constraint and opportunity were identified and issues relating to them canvassed earlier. Where conversion provisions were found, they were analyzed against the models being used to test intensification potential.

In respect of the existing approval process attached to some of the existing conversion provisions, it was recognized that they required a potential convertor to provide satisfactory evidence to the municipality in respect of certain matters. Most commonly, this requirement took the form of establishing the age of the dwelling to be converted. For example, Hamilton permits the conversion of a dwelling only if the dwelling was erected prior to 1940. Another somewhat common approval requirement was with respect to ownership. In RIA districts, the by-law requires that the owner has owned the dwelling house for at least three (3) years immediately preceding alteration or conversion. Toronto also has a rather extraordinary provision dealing with marketability which requires that an owner submit conclusive evidence that the dwelling house is unmarketable, at a reasonable price, for use as a private detached dwelling house.

In the case of indicating the age of the building or that it had been owned for a specified period of time, we were informed by several key informants that the filing of a statutory declaration was sufficient.

The Toronto marketability provision, in our view is the type of subjective requirement that would present a significant constraint to any viable conversion program. What would amount to "conclusive evidence" of marketability and what would constitute a "reasonable price" for use as a single family house is so vague and uncertain as to invite the worst kind of abuse in application of the requirement and determination of its satisfaction in permitting conversion to occur. In our view, this provision may very well serve as a form of safety valve to allow the rejection of any proposal which is seen as offending the community at large regardless of its merits insofar as traditional land use requirements are concerned. It is our view that such a provision lacks the necessary certainty in law to withstand judicial scrutiny and would likely fail a test of its legality.

6.2 Proposals For Approval Process

Any program which would seek to encourage intensification will necessarily require that a minimum of time and effort be directed to site by site consideration. As was indicated in Section 4, both infill models would likely attract site specific review as well as development review procedures and we are of the view that this process can and should be avoided.

The conversion models (#'s 1-3), on the other hand, would not necessarily attract the planning approval process. Certainly, Model #1 would not even require the issuance of a building permit. Internal reorganization of space and/or enlargement by an addition would require the issuance of a permit and, as the latter is prohibited in the present conversion provisions of several of the case study municipalities, a rezoning would likely be necessary, or at the very least an application to the committee of adjustment.

In our view, the greater the level of the bureaucratic hurdles encountered, the less the opportunity for real results to be achieved by any intensification program. For this reason, we believe that, as nearly as possible, any program should be based on an "as of right" basis for the potential convertor. The more certain the constraints are; the easier their application would be and, therefore, the more efficient the process by which private owners, small builders, or developers of scale can become involved. Conversion activity may not thrive in an environment of endless bureaucratic consideration and delay that necessarily follows.

We are aware that this view is not universally held. The American Planners Association report mentioned earlier was of the view that accessory units should be the subject of special permit procedures. "As of right" was rejected because, in their words "it makes acceptable without review what in most communities has been an unacceptable use, and does so without any provision for ongoing oversight". The APA was attempting to encourage a program emphasizing owner-occupancy as a basis for acceptability by the community. The matter of "people zoning" vs. zoning of use was recently canvassed by the Supreme Court of Canada which struck down a definition of "family" limited by ties of marriage of consanguinity. Bill 159 would appear broader in application on this point and might very well provide the legislative basis for provisions requiring owner-occupancy.

The essential ingredient to a realistic program to encourage intensification by conversion is an efficient and certain procedure for the identification of potential dwellings and approval for the purpose. Anything less than criteria in the zoning by-law which can result in "as of right" determination in most cases will not encourage intensification.

7.0 THE ISSUE OF EXISTING ILLEGALLY CONVERTED DWELLINGS

7.1 Their Existence

Early on in the study process, the fact was accepted by us that there does exist, in Ontario, a rather significant number of illegally converted dwellings. These units constitute a significant input to the existing housing stock in the case study municipalities. In each of these municipalities, discussions with various key informants acknowledged the existence of these units, but, beyond that point the various views expressed regarding their presence were extremely divergent.

Specific attempts were made to ascertain some estimate of the numbers of illegal units in each of the municipalities examined, however, none of the key informants were in a position to give such estimates. This appears to be consistent with experience elsewhere, where only the vaguest estimates have been attempted of the numbers of such units.

It would appear that many of the same conditions which gave rise to the enactment of various conversion provisions in the zoning by-laws of the case study municipalities were also responsible for promoting illegal conversion. In the case of Hamilton, it would appear that demand for moderately priced accommodation immediately following World War II acted as catalyst for the creation of a stock of illegal units in proximity to that municipality's industrial areas. Kingston's active illegal conversion situation has, in a large part, resulted from the demand for university student accommodation.

In Thunder Bay, which recently completed a comprehensive review of conversion potential, existing converted housing stock was estimated, in 1980, at over 2,400 units or 22% of the rental supply. City planners in Thunder Bay further indicated that:

"Initial research and the experience of other cities suggest well over half of these conversion units had been created without a building permit and that there may be approximately 10% (240 units) or more existing as undetected illegal suites, most notably basements."

While actual numbers of illegal units in the case study municipalities were not available, most of the planners interviewed were able to make fairly specific statements about the geographic location of such units. For instance, in North York, planners acknowledged that such units existed primarily in the western and southern districts and were attributable, in part, to a specific provision in the zoning by-law which permitted a second kitchen in the basement of a house. Apparently, this provision was incorporated in the by-law to meet the needs of a certain ethnic community that was accustomed to such facilities. Inevitably, this provision has been abused as the second kitchens, so called, have become the culinary unit of the self-contained illegally converted dwelling units.

7.2 Their Nature

In characterizing the stock of illegally converted units, there appear to be two general categories into which such units fall. Firstly, there are those units for which a building permit has not been obtained (a contravention of the present Ontario Building Code Act) and which do not conform to the existing zoning, possibly including any conversion provisions contained in the by-law. The second general category would include those units which, regardless of conformity with zoning, would not meet the present standards for construction as set out in the Ontario Building Code. It is obvious to us that there are differing levels of concern arising from whether or not such a unit simply fails to comply with performance standards of a zoning by-law or fails to meet the more fundamental considerations of health and safety contemplated by the standards contained in the Ontario Building Code or in other local building by-laws.

The distinction which has been made is an extremely important one. In our view, it is far easier to marshal arguments in favour of allowing the status quo to continue where the non-compliance is in respect of zoning performance standards rather than with requirements which have been formulated for the health, safety and protection of the occupant. Effective programs to promote conversion activity may be discouraged if one of the effects is to place in the harsh glare of enforcement for zoning and building code violations those units which have been created illegally. In current circumstances where there appears to be some consensus around the notion that these units are addressing a real housing need, promotion of a heightened environment of enforcement might prove counter-productive. The recent action of Toronto in mounting a concerted program to eradicate a particular form of illegal unit (the bachelorette) acts only to underline this concern. As was pointed out in the study prepared by the Bureau of Municipal Research reviewing the City's actions:

"...the City's present policy aimed at the control of bachelorettes, has severely restricted the ability of the converted dwelling house to provide rental units. In light of the City's stated objectives to defend and increase where possible the amount of rental housing stock available, actions to decrease rental units (bachelorettes) and limit the amount of new rental units created seem inexplicable and contradictory."

We believe that tight enforcement of standards which could form part of a program to encourage intensification could severely hamper such a program unless the enforcement was tailored in a sensitive fashion.

The City of Toronto, in a recent report prepared by the Planning and Development Department, acknowledged, to some extent, the circumstances that gave rise to its bachelorette phenomena:

"It has been demonstrated that present market conditions have effectively stopped the construction of new rental projects. If the private sector is to contribute to the supply of small rental units, then it is likely to occur only through the more intensive use of the existing housing stock."

The report indicates that, in fact, the trend is to the contrary and that deconversion with the loss of small, affordable rental units continues. What the City report does not go on to say, however, is that a significant number of illegal bachelorette units have disappeared as a result of its enforcement activities. The BMR study estimated a loss of over 1,000 of these small affordable units as a result of enforcement. There is no evidence that these units have been replaced and the conclusion may be made that additional pressure has been placed on the demand side for small, affordable rental units without any increase or stimulus on the supply side.

The above scenario, in our view, serves to underline the potential hazard in promoting intensification activity where the result would be heightened enforcement. Given the significant numbers of illegal units already engrained in the housing stock, there would be a real risk of a resultant overall loss in the number of housing units available.

Of course, the unchecked spread of conversions which fail to meet certain basic standards cannot be accepted as an attractive option. Failure to meet basic Ontario Building Code standards is an issue that must be addressed. Devising some method of encouraging the legalization of illegally converted units would seem essential if programs to encourage intensification activity are to be effective. Otherwise, it appears to us that, in the present regulatory environment, it would be far simpler to illegally convert.

7.3 The Present Enforcement Environment

With the exception of Toronto's bachelorette cleanup, none of the case study municipalities indicated that they had or presently have an organized program of enforcement against illegally converted units. There are two basic ways that the municipalities become involved in enforcement activity. Firstly, and perhaps most importantly, the municipality responds with enforcement of its standards where the illegally converted unit has been identified through a neighbour's complaint. Because most illegal conversions do not require any external change to the structure, they are nearly impossible to detect and come to the attention of the municipality mainly through such a complaint. As was pointed out in a recent study carried out in the United States:

...the general lack of complaints (from neighbours) may indicate that, at least on the short run and on the small scale, accessory apartments are the planners' equivalent of a victimless crime.

As is readily apparent, such an informal enforcement system can function quite well insofar as the local community is concerned. Wherever an illegal conversion is perceived as interfering with community standards, it will be the subject of complaint, otherwise the enforcement mechanism remains dormant.

The second way in which illegal conversions come to the attention of the municipality, and thereby subject to enforcement, is through a proposed conveyance of a converted house. The solicitor's letter to the municipality

seeking verification of the use with respect to zoning will identify a unit which has not been built in accordance with zoning or the issuance of a building permit.

7.4 Municipal Enforcement - Response

Although municipalities appear generally to refrain from active enforcement, they are obligated to take steps once an illegal conversion is brought to their attention. In several of the case study municipalities, this enforcement took the normal route of an Order to Comply being issued against the offending property owner. This will usually run its course with the offender either complying to the regulation or seeking some variance through the committee of adjustment to deal with any issue of non-compliance that is within its jurisdiction. Matters not within the jurisdiction of a committee of adjustment can only be handled through a rezoning procedure, and matters of non-compliance with the requirements of the Ontario Building Code can only be addressed before the commission established for the purpose of granting relief under the Ontario Building Code Act. As is obvious, the more complex the scenario to achieve compliance, the greater the difficulty and cost to the owner. The less the likelihood of a certain and positive resolution of the problem, the greater the disincentive to the owner to embark on its resolution.

Two of the case study municipalities tempered the procedure described above significantly by not proceeding immediately with enforcement through the Order to Comply. Rather, a more conciliatory approach was taken whereby assistance was given to the owner-offender in the form of information as to how to cure the non-compliance in the most expeditious fashion. This might take the form of a committee of adjustment application or an application to the Building Code Commission depending on the circumstances. We were informed that a co-operative owner would receive both technical and practical assistance from municipal staff in proceeding in this manner and that any formal proceedings for compliance would be held in abeyance.

Because of the apparent large numbers of illegally converted units there is some significant hesitation on our part to promote the concept of intensification, and particularly conversion activities, for fear such encouragement might result in the net loss of housing stock through the loss of illegally converted units due to heightened enforcement. However, in order to successfully promote intensification activity, a program of redefined and relaxed regulations and performance standards will not suffice to encourage all of the present illegal stock to be brought forward for legalization. On the other hand, a simple blind-eye approach leaving enforcement to its present ad hoc informality would not seem to be compatible with a positive intensification program from a policy point of view. Devising some method of encouraging the legalization of illegally converted units would seem essential if programs to encourage intensification are to be effective. Otherwise, as previously stated it appears to us that in the present regulatory environment it would be far simpler to illegally convert.

There are several possibilities which, in our view, should be given serious consideration. They are:

- . a general amnesty for all illegally converted dwellings where matters of zoning are concerned;
- . short of a general amnesty, a selective relaxation of various performance standards such as density, parking, or prohibitions against external appearance, etc.;
- . relaxing the prohibition against habitation in units which have been located below grade in "cellars" and "basements" as defined in the various zoning by-laws reviewed. Other than the issue of flooding which could be dealt with on a local basis, it would seem that this prohibition against habitation below grade is no longer relevant and has been more than adequately handled by requirements for adequate natural light and mechanical ventilation to be found in the standards of the Ontario Building Code or local building by-laws;
- . an amendment to the Planning Act to ensure that adequate statutory direction is given to committees of adjustment in exercising their discretion to permit minor variances from by-law requirements. The present language of section 42 provides some concern to committee members and this concern is not assuaged by judicial comments on the exercise of this discretion. Consideration should be given to amending the Act to clarify the test to be applied by the committee to an application requesting approval for a "minor variance". The test to be applied by the committee to a minor variance application pursuant to Section 42(1) (a) of the Planning Act contains four requirements that must be addressed and the Committee must be satisfied in regard to all of them:
 1. The variance requested must be a minor variance from the provisions of the by-law.
 2. The variance must be for an appropriate development or use of the land, building or structure.
 3. The variance must comply with the general intent and purpose of the by-law.
 4. The variance must comply with the general, intent and purpose of the official plan, if any.

In order to grant the variance requested in the application, the committee must be satisfied that, in its opinion, all four requirements are met. To disallow the application, it need find that only one requirement is not satisfied (Re 251555 Projects Ltd. and Marrison (1974) 5 OR (2d)763).

This test, we suggest, should be replaced with a test that addresses the following: How would the proposed variance affect the existing land use in question? It is of general amnesty, to deem all illegally converted units which are within five to ten percent of compliance with the performance standards to be complying for purposes of zoning, thereby eliminating a group of the least objectionable units from any review process.

APPENDIX A
MUNICIPAL CONTROLS

APPENDIX A: MUNICIPAL CONTROLS

This appendix contains the provisions within the official plans and zoning by-laws for the study municipalities that relate to conversion for Models 2, 3, 4 and 5. Conversion per Model 1 involves no physical changes to the structure of the dwelling and the discussion contained in the body of the report fully covers it.

A.1 MODEL 2

("Changing grade-related type dwellings from single household use to multiple household use through physical alterations (self-contained accommodation).")

A.1.1 Kingston

Official Plan

NOTE:

Official plans, in the large majority of examples, contain statements that are general in nature, instead of specific. These general policy statements are the basis upon which the specific provisions of the municipalities' zoning by-laws are established.

In reading the statements contained in official plans, the reader often has to exercise judgment as to whether any particular statement is supportive, neutral or discouraging in relation to the use under consideration.

The general policy statement contained in Section 1 (3) can be used to support conversion as in Model 2 on a city wide basis:

1(3) Housing

"It is the policy of council to determine periodically the housing needs of the population and to stimulate the building of such units to provide the population with sanitary, safe and sound habitation."

A specific strongly supportive statement is contained in Section 1(15) regarding the conversion of stables, etcetera. This statement would be useful in a conversion programme including Model 2 type conversions:

- 1(15) "it shall be the policy of council to consider the conversion of a stable, coach house or out building in the residential area to a place of residence subject to development control and provided that the use generally conforms to the residential standards set out in the zoning by-law for that particular area."

Section 1(30) contains a serious constraint prohibiting conversion in designated "Areas of Constraint":

- 1(30) "While not all places in areas of habitation are the most desirable or best located, there are large groups of dwellings in neighbourhoods that are identified as Areas of Stability in this Plan as defined in section 2(20).

It shall be the policy of council to preserve and protect these areas so that no basic changes will be made through zoning or other public action which is out of keeping with the character of the areas for a period which may range up to 20 years. Repairs, maintenance and some enlargements but not conversions, will be permitted to uses lawfully existing."

Zoning By-Law (ByLaw No. 8499)

Definition: The by-law does not contain a definition of "converted dwelling."

Zone or District Specific Requirements

Sections 5.23 and 5.23(A) are intended to completely deal with the subject of converted dwellings and accordingly the conditions prerequisite are set out therein, including permitted geographic zones, age of structure, parking, limits on external change, bedroom ratio, and minimum floor areas:

5.23 Conversions of a One-Family Dwelling to a Multiple Family Dwelling

Notwithstanding any provision or regulation of this by-law, a one-family

dwelling only may be converted to a use containing a greater number of self-contained dwelling units under the following conditions:

- (i) such a dwelling is located in zones A, A1, A2, A3, A4, A5, B, E, or C; (By-Law No. 8499-1975)
- (ii) such dwelling was erected as a one-family dwelling before 1941 12 01, (By-Law No. 8499-1975; 79-174-1979);
- (iii) parking spaces are provided in accordance with Section 5.3 of this by-law;
- (iv) there is no change, addition or enlargement made to the external walls or roof of the dwelling;
- (v) a ratio of dwelling units with one or more separate bedrooms to dwelling units with no separate bedroom shall be provided in a minimum ratio of 3:1, (By-Law No. 8499-1975);
- (vi) each dwelling unit has at least the total floor area in relation to the number of bedrooms set forth in the following table:
 - 0 - 28 sm (square metres)
 - 1 - 42 sm
 - 2 - 56 sm
 - 3 - 70 sm
 - 4 - 79 sm
 - 5 - 79 plus 9 for each bedroom after 4.

minimum total floor area = 232 sm

Section 5.23(A) is a recent amendment to the zoning by-law and is meant to be more constraining according to information from local officials:

5.23(A) Conversion of a One-Family Dwelling to a Two-Family Dwelling

Notwithstanding any provision or regulation of this by-law,

a one-family dwelling only may be converted to a two-family dwelling under the following conditions.

- (i) such a dwelling is located in Zones A, B, or E;
- (ii) parking spaces are provided in accordance with Section 5.3 of this by-law;
- (iii) there shall be not more than $19m^2$ of floor space added to the dwelling;
- (iv) the roof of the dwelling may be altered in order to provide for light and air, however, in no case shall such roof alteration or enlargement amount to more than 10 per cent of the roof area:

(NOTE: Dwelling unit size is governed by the chart in 5.23 (vi) above.)

General By-Law Requirements

Conversions in compliance with Section 5.23 or 5.23(A) are exempt from general by-law requirements (relating to such matters as set-backs, lot frontage, and height) due to the "notwithstanding" clause contained in the lead-in words to Sections 5.23 and 5.23(A).

If a conversion is not within Section 5.23 or 5.23(A) then application must be made to the Committee of Adjustment for a minor variance, or if the variance is not minor, a re-zoning application must be made.

Dwellings Below Grade

Permitted in basements (more than 50% above ground level), not permitted in cellars (more than 50% below ground level).

Parking

5.3A(b)(ii)(c)

One parking space shall be provided for each two dwelling units in a building which

is converted into a total of not more than four dwelling units (including the original unit or units) and one parking space is provided for for each dwelling unit in a building which is converted into five or more dwelling units (including the original unit or units) and where the parking area is not provided within an enclosed building it shall be situated either

- (1) in the rear yard of the lot as inconspicuously as the design and layout of the building and the lot permit; or (By-Law No. 8499-1975);
- (2) in an adjacent or neighbouring lot not more than 60.0 m from the building lot.

A.1.2 Hamilton

Official Plan

The general statements contained in Sections A.2.1 and A.2.8 can be used to support conversion in Model 2 form on a City wide basis:

A.2.1 - Residential Uses

"It is the intent of this plan to ensure that the Residential Use of land is sufficient to accommodate anticipated population growth and changing demands for RESIDENTIAL development of varied styles and densities while ensuring the maintenance of amenities for residents."

- 2.1.8 "it is the intent of council that a variety of housing styles, types and densities be available in all RESIDENTIAL areas of the City,..."

Statements contained in Subsection C.7 - Residential Environment and Housing Policy, are more specifically aimed at conversion (and infill) than those in Section A.2.1:

SUBSECTION C.7 - RESIDENTIAL ENVIRONMENT AND HOUSING POLICY

It is the general intent of this Plan to promote a high standard of RESIDENTIAL and urban amenity

and the provision of an ample and varied supply of dwelling types to cater to the needs of all income groups. While it is expected that single-family housing will continue to be the dominant housing requirement, a latent demand for multiple-family housing is recognized. In providing for these demands, an amenable mixture of densities and an arrangement that will minimize conflicts between different forms of housing is desired.

7.1 In the development of new RESIDENTIAL areas and, as far as practicable, in the infilling or redevelopment of established areas, Council may undertake or require the following in order to achieve high standards of RESIDENTIAL amenity:...

- v) Provision of advice and assistance in the improvement and maintenance of private dwellings;
- vi) Investigation into, and application of, other methods of encouraging the maintenance and improvements of buildings in RESIDENTIAL areas;...
- viii) Other similar actions or matters as Council may deem appropriate.

7.3 Council will ensure that the local RESIDENTIAL ENVIRONMENT is of a condition and variety satisfactory to meet the changing needs of area residents. Accordingly, Council will:

- i) Encourage the maintenance of RESIDENTIAL properties subject to the provisions of Subsection C.5;
- ii) Promote the restoration and/or rehabilitation of housing structures exhibiting Architectural or Historical merit, subject to the provisions of Subsection C.6;
- iii) Encourage RESIDENTIAL development that provides a range of types and tenure to satisfy the needs of the residents at densities and scales compatible with the established development pattern;...

- vi) Encourage the rehabilitation of dwellings as an alternative to demolition in appropriate locations and instances, having regard to the preservation and maintenance of the amenity of the RESIDENTIAL area; and,
- vii) Encourage development at densities conducive to the operation of Public Transit and which utilizes designs or construction that are energy efficient.

The Official Plan contains a strong deterrent to conversion for residential purposes in Section 2.1.7 which applies to existing house-form structures:

- 2.1.7 In order to preserve and utilize older buildings no longer appropriate for RESIDENTIAL USE and to provide a specialty type of commercial service in proximity of the central area of the City, council may permit the conversion of existing RESIDENTIAL buildings located in high density RESIDENTIAL areas for commercial uses such as financial offices, as may be identified through the preparation of neighbourhood plans."

Zoning By-Law (By-Law No. 6593)

Definition: 2(2) A(iv) "Dwelling, converted" shall mean a dwelling altered from a dwelling to make a greater number of dwelling units, or in a district where permitted a multiple dwelling altered from a dwelling.

Zone or District Specific Requirements

Section 19 of the by-law is intended to completely deal with converted dwellings. Such matters are dealt with as age, limitation on internal increase in cubic contents, minimum size, limitations on external change, number of units by zoning district and lot size, parking and front, side and rear yard requirements for additions:

- 19 Notwithstanding anything contained in this By-law, any dwelling erected prior to the 25th day of July, A.D. 1940, may be converted so as to provide a greater number of dwelling units, provided that all the following stipulations are complied with, namely:
(8158/57) (6301/51)...

- (ii) that in a residential district in which no dwellings except single-family dwellings are permitted, there shall be no increase in the cubic contents of any dwelling; (9438/61) (6801/51)
- (iii) that each of the proposed new dwelling units has a floor area of at least 65.0 square metres (699.65 square feet), including common halls and stairways, but excluding the area of the cellar, if any, and of any porch, verandah or other such space which cannot lawfully be used as living quarters; (6801/51) (79-288)
- (iv) that there shall be no outside stairway other than an unenclosed fire escape; (6801/51)
- (v) that the external appearance and character of the dwelling is preserved; (6801/51)
- (vi) that in a residential district in which no dwellings are permitted except single-family dwellings, and on a lot having an area of at least 270.0 square metres (2,906.26 square feet), there may be provided two dwelling units; (9438/61) (6801/51) (79-288)
- (vii) that in a D district there shall be provided a total of not more than three dwelling units, and that the area of the lot is at least 270.0 square metres (2,906.26 square feet); and (6801/51) (79-288)
- (viii) that in any district except one in which no dwellings are permitted but single-family dwellings and two-family dwellings, the number of dwelling units may be increased to three, in a dwelling on a lot having an area of at least 270.0 square metres (2,906.26 square feet), and may be increased to a greater number than three, in a dwelling on a lot having an area of at least 450.0 square metres (4,843.76 square feet), provided further that in no case shall there be less than 65.0 square metres (699.65 square feet) of lot area for each dwelling unit, except in the case of a dwelling unit in which the only rooms are the bathroom, kitchen and living room, the last of which contains the sleeping accommodation, in

which case the required lot area may be reduced to 37.0 square metres (398.26 square feet) (6801/51) (9438/61) (79-283)

- (ix) that there are parking spaces and manoeuvring space and access driveways provided in accordance with the requirements for converted dwellings as set forth in sub-section 3 of section 18, and (8175/58) (8158/57)
- (x) that front yards, side yards and rear yards are provided in accordance with the provisions applicable to the district in which the lot is included, upon which the proposed converted dwelling is situate, for any addition or enlargement as permitted above. (8175) (8158/57)

General By-Law Requirements

Due to the "notwithstanding" clause contained in the lead-in words to Section 19, conversions which meet the conditions are exempt from general by-law requirements, except for additions and enlargements which must comply with yard set-backs pursuant to Section 19(x). Conversions not meeting the conditions in Section 19 must be approved by Committee of Adjustment if the variance is minor, and if not the conversion will be the subject of a re-zoning.

Dwellings Below Grade

The zoning by-law is silent. The local building by-law permits dwellings in basements but not in cellars.

Parking

Section 19(ix) (see above) requires parking for converted dwellings in accord with Section 18(3) which requires the following: 1 parking space per unit unless the dwelling is a "multiple dwelling" as defined, which is generally one containing more than 4 units in which case parking spaces may be reduced to 80% of the number of dwelling units. No parking may be located in a required front yard (Section 18(3)(iv)(ad)).

A.1.3 Toronto

Official Plan

The Official Plan contains a number of general statements that can be utilized as general support for conversion on a city wide basis although they are by no means a set of specific policy tools:

2A.1 The housing goals of Council are:

- (a) the provision of decent housing to all residents in a suitable living environment at prices which they can afford;
- (b) the equitable distribution of housing to meet the needs of identified target income groups;
- (c) the preservation and improvement of existing housing and existing residence areas; and
- (d) the provision of housing which is accessible to and meets the needs of the handicapped and the elderly.

2A.3 Council, from time to time, will prepare and adopt housing policy statements. Such statements will establish a program of short-term housing production targets and allocations, and shall include:

- (a) annual targets for the repair and rehabilitation of existing housing;
- (c) annual targets for the acquisition and improvement of existing housing;
- (e) annual targets for the production and provision of housing for various household types and sizes including housing suitable for families with children;
- (f) annual targets for the production and provision of housing for individuals and families of low-to-moderate income, senior citizens, and the handicapped;

2A.3 (a) In order to achieve the goals and targets of its long- and short-term housing policies, Council may acquire land and/or buildings in any area of the City for housing purposes, either directly or through its housing corporation.

2A.13 It is the policy of Council to seek a balance between owner-occupied and rental housing within the City, and in particular areas of the City.

1.1 (b) Council's policy is to improve the efficiency, amenity and appearance of the various parts of the City as may be

appropriate for each area so that the City shall be an efficient and enjoyable place in which to live.

- (c) The distinctive character of the different parts of the City, and the prominence and attractiveness of its main focal points, will be maintained and enhanced.

For the purposes of encouraging provision of housing for people of low-to-moderate income, section 2A.9 supports conversion by Council itself:

2A.9 It is the policy of Council to take direct action to ensure that in short- and long-term assisted housing targets are met and to the extent that those targets cannot be met by other producers and programs, Council, either directly or through its housing corporation, will:

- (a) produce new housing for individuals and families of low-to-moderate income; and
- (b) acquire, improve and/or convert existing houses for individuals and families of low-to-moderate income.

Zoning By-Law (By-Law No. 20623)

The zoning by-law for the City of Toronto is, at the time of writing, undergoing certain relevant amendments. A series of by-laws, known as the 321-78, 501-81 series, have been approved by Council and were before the Ontario Municipal Board commencing April 14, 1983, with the hearing complete but the final decision reserved, as of May 9, 1983. The existing relevant by-law provisions and the proposed amendments are set out below.

Definition: (i) "converted dwelling house" means a one-family dwelling house including any addition thereto, which has been or is proposed to be altered or converted so as to provide therein two or more dwelling units; (R2) (20870 and 21042)

Definition: (i) "converted dwelling house" means a dwelling house, originally constructed as a private detached dwelling house or one family dwelling house, (other than row housing) which, including any addition made prior to conversion, is at least five years old, which has been or is proposed to be altered or converted so as to provide therein two or more dwelling units; (R2) (20870) (21042) (321-78) (307-79) (501-81)
(NOTE: This will replace the existing definition)

- (p) "converted dwelling and lodging house" means a dwelling house, originally constructed as a private detached dwelling house, or a one-family dwelling house (other than row housing), which, including any addition made prior to conversion, is at least five years old, which has been or is proposed to be altered or converted so as to provide therein two or more dwelling units and one or more boarding or lodging rooms;
(321-78) (307-79) (501-81)

NOTE: Different zoning areas have different conditions for converted dwellings which are laid out below.

R1 Districts

The R1 zoning area contains a geographically defined sub-area where converted dwelling use is permitted. This sub-area coincides with the area known as Rosedale. The conditions cover such matters as age, minimum size of resulting units, limitations on exterior alterations and change of exterior appearance.

- 6(6)(i) the dwelling house is at least twenty (20) years old;
- (ii) the average of the dwelling areas of both or all of such dwelling units is at least 110 square metres;
- (iii) the area of each dwelling unit is at least 55 square metres; and
- (iv) no exterior addition to or major exterior alteration of the dwelling house is made and its external appearance as a private detached dwelling house or semi-detached dwelling house is not materially altered.
- 6(7) Notwithstanding the provisions of subsection (1), the owner of a dwelling house erected within the portion of the area referred to in subsection (6) which is at least twenty years old may vertically divide such dwelling house so as to create a pair of semi-detached dwelling houses, notwithstanding that the dwelling houses created by such vertical division and any existing accessory building or structure do not comply with Section 4 (other than subsection (13) of Section 4), provided any addition to be erected complies with Section 4 and is not erected to the front or sides of such dwelling house. (377-80) (256-81)

R1A and R1F Districts

The conditions cover such matters as age, ownership, unmarketability, minimum size and limitations on exterior alterations.

Sections 7(2) and 7A(3) Notwithstanding the provisions of subsection (1), the owner of a private detached dwelling house may alter or convert such dwelling house, so as to provide therein two (2) or more dwelling units provided:

- (i) he has been the owner of the dwelling house for at least three (3) years immediately preceding alteration or conversions;
- (ii) the dwelling house is at least forty (40) years old and contains a gross floor area of at least 280 square metres;
- (iii) he submits conclusive evidence that the dwelling house is unmarketable, at a reasonable price, for use as a private detached dwelling house;
- (iv) each dwelling unit has a floor space of not less than 55 square metres, except in the case of an attic where the permissible floor area shall be not less than 42 square metres; and
- (v) no exterior addition to or major exterior alteration of the dwelling house is made and its external appearance as a private detached dwelling house is not materially altered; (21829)

Notwithstanding the provisions of subsections (1) and (2), the owner of a private detached dwelling house may alter or convert such dwelling house so as to provide therein two or more dwelling units provided the dwelling house is at least forty (40) years old and contains a gross floor area of at least 460 square metres, and provided the requirements of (iii), (iv) and (v) of subsection (2) are complied with; (21829)

R2 Districts (Section 8(3); R3 Districts (Section 9(4)(9); R4 Districts (Section 10(4)(5) and R4A Districts (Section 11 (3)(4)

The existing by-law refers to "Converted Dwelling and Lodging Houses". The proposed by-law provisions will be in addition to the existing conditions:

CONVERTED DWELLING AND LODGING HOUSES

- 8(3) Subject to the provisions of paragraph (a) of this subsection, none of the provisions of this Section shall apply to prevent the use of any private detached dwelling house, one-family dwelling house or semi-detached dwelling house in any R2 district as a boarding or lodging house subject to the following conditions:
- (i) the owner or bona fide tenant of the boarding or lodging house shall occupy therein as his permanent personal residence a dwelling area of not less than 37 square metres plus 7 square metres for each person in the family of the owner or tenant in excess of two (2);
 - (ii) no room in the boarding or lodging house shall be let as sleeping accommodation unless the area thereof is sufficient to provide at least 9 square metres for a single occupant or 7 square metres for each one of two or more occupants;
 - (iii) no sign which is visible from the exterior of the boarding or lodging house shall be displayed;
 - (iv) no cooking equipment shall be permitted in any room used for sleeping purposes;
 - (v) running water toilets, wash basins and baths or showers shall be provided on the basis of one each for every six (6) occupants of the boarding or lodging house;
 - (vi) the boarding house or lodging house and the lot upon which it is located, as well as every accessory building, shall at all times be maintained in a clean and orderly condition as to such things and matters as paint, window sills, yards and lawns;

THESE PROPOSALS WILL BE INCORPORATED INTO SECTION 8(3) FOLLOWING 8(3)(vi) AS INDICATED HEREIN.

CONVERTED DWELLING AND LODGING HOUSES
R2, R3, R4, R4A Districts) (Proposed)

- (vii) there is no substantial change in the external appearance of such dwelling house as a one-family dwelling house and there is no exterior alteration or addition to such dwelling house except, subject to the other requirements of this by-law:

- (a) an addition to any part (other than to that side of the dwelling house facing the fronting street, and, in the case of a corner lot, other than to that side of the dwelling house facing the flanking street) of the exterior of any of the above classes of dwelling houses, provided the increase in gross floor area does not exceed 0.15 times the area of the lot;

For greater certainty only one addition may be erected either at the time of conversion or thereafter.

- (b) (i) a porch or verandah addition where none previously existed, (including a basement extension located wholly beneath such porch or verandah addition), not exceeding 3.7 metres in height above grade extending beyond a distance of 2.4 metres from the wall to which it is attached;
- (ii) a porch or verandah replacement (which may include a basement extension located wholly beneath such porch or verandah replacement) to the dimensions of the original structure save as hereinafter set out, provided, however, that where the original structure was less than 2.4 metres in depth from the wall to which it was attached, such replacement may extend in depth to a maximum of 3.7 metres from the wall to which it is attached, and further provided that in no case may any replacement two storeys in height above grade notwithstanding the height above grade of the original porch or verandah being replaced.
- (c) a dormer or dormers in the roof of such dwelling house, provided that the floor area of each dormer does not exceed 2.3 square metres and the total floor area of all such dormers does not exceed 9.3 square metres, such increase in floor area to be included in the gross floor area limitation referred to in sub-clause (a):

For greater certainty the dormer or dormers referred to in this sub-clause may be constructed from time to time provided the provisions of this sub-clause are complied with.

- (d) any alteration or renovation as may be required from time to time to any such dwelling house that is or is proposed to be used as a boarding or lodging house or converted dwelling and lodging house under the provisions of the Ontario Building Code, By-Law No. 300-68 or By-Law No. 73-68, as amended. (321-78) (307-79)

- (viii) the semi-detached dwelling house is attached to a semi-detached dwelling house that is being converted to or has been converted to and used as a boarding or lodging house or a converted dwelling and lodging house.

Where a semi-detached dwelling house used as a boarding or lodging house or a converted dwelling and lodging house is converted to use as a one-family dwelling house, nothing in this subsection shall prevent the continued use of the semi-detached dwelling house to which it is attached as a boarding or lodging house or a converted dwelling and lodging house, as long as it continues to be used for that purpose. (321-78)

- (viii) the average of the floor areas of the dwelling units in any building being altered, converted or used as a converted dwelling and lodging house must be not less than 33 square metres; (501-81)

Notwithstanding the foregoing, no person shall in any R2 district use any private detached dwelling house, one-family dwelling house or semi-detached dwelling house for the purpose of a boarding or lodging house or a converted dwelling and lodging house if such boarding or lodging house or converted dwelling and lodging house contains more than six (6) boarding or lodging rooms (321-78) (76-81)

- (a) This subsection shall not apply to any private detached dwelling house, one-family dwelling house or semi-detached dwelling house.

- (i) in any R2 district in the portion of the City lying north of the Belt Line Railway;
- (ii) in any R2 district in the portion of the City bounded on the north by the Belt Line Railway, on the east by Yonge Street, on the south by St. Clair Avenue West and on the west by Avenue Road, Lonsdale Road and Oriole Parkway;
- (iii) on any land abutting on Whitehall Road; (48-70)
- (iv) on any land abutting on Summerhill Gardens. (110-74)

- 8(3A) Subsection (3) shall not apply to any private detached dwelling house, one-family dwelling house or semi-detached dwelling house which is not at least five (5) years old. (296-63)

CONVERTED DWELLING HOUSE (Proposed)

The proposed series of by-laws, if approved, will provide conditions to be met by converted dwellings in R2, R3, R4 and R4A Districts. Such matters are dealt with as limitations on external change, average floor areas and age:

8(9) None of the provisions of subsection (1) of the Section shall apply to prevent the use of any building or structure that is or was originally constructed as a private detached dwelling house, one-family dwelling house (other than "row housing") or semi-detached dwelling house as a converted dwelling house provided there is no substantial change in the external appearance of such dwelling house as a one-family dwelling house and there is no exterior alteration of or addition to such dwelling house except, subject to the other requirements of this by-law: (501-81)

(a) an addition to any part (other than to that side of the dwelling house facing the fronting street, and, in the case of a corner lot, other than to that side of the dwelling house facing the flanking street) of the exterior of any of the above classes of dwelling houses, provided the increase in gross floor area does not exceed 0.15 times the area of the lot;

For greater certainty only one addition may be erected either at the time of conversion or thereafter.

(b) (i) a porch or verandah addition where non previously existed, (including a basement extension located wholly beneath such porch or verandah addition), not exceeding 3.7 metres in height above grade or extending beyond a distance of 2.4 metres from the wall to which it is attached;

(ii) a porch or verandah replacement (which may include a basement extension located wholly beneath such porch or verandah replacement) to the dimensions of the original structure, save as hereinafter set out, provided, however, that where the original structure was less than 2.4 metres in depth from the wall to which it was attached, such replacement may extend in depth to a maximum of 2.4 metres from the wall to which it is attached, and further provided that in no case may any replacement two storeys in height above grade notwithstanding the height above grade of the original porch or verandah being replaced.

(c) a dormer or dormers in the roof of such dwelling house, provided that the floor area of each dormer does not exceed 2.3 square metres and the total floor area of all

such dormers does not exceed 9.3 square metres, such increase in floor area to be included in the gross floor area limitation referred to in paragraph (a);

For greater certainty the dormer or dormers referred to in this paragraph may be constructed from time to time provided the provisions of this paragraph are complied with.

- (d) any alteration or renovation as may be required from time to time to any such dwelling house that is or is proposed to be used as a converted dwelling house under the provisions of the Ontario Building Code, By-Law No. 300-68 or By-Law No. 73-68, as amended (307-79)
- (e) the average of the floor areas of the "dwelling units" in any building being altered, converted or used as a converted dwelling house containing more than two dwelling units, must be not less than 65 square metres. (501-81)
- (f) none of the provisions of subsections (1) and (9) of this Section shall apply to prevent the conversion and use of the one-family dwelling house known municipally in the year 1980 as No. 64 Glenlake Avenue as a converted dwelling house containing two dwelling units. (816-80) (501-81)

This subsection shall not apply to permit the conversion of any building or "dwelling house" therein referred to unless the whole of the "dwelling house" or building as it stands prior to conversion is at least five years old. (501-81)

C1 and CR Districts

"Converted dwelling and lodging houses" and "converted dwelling" are permitted uses in these districts with no conditions particular to converted uses beyond those contained in the definitions.

Due to the definitions of "residential building" and "mixed-use building" in section 4 (12(9)(vii) and (viii)) it is likely that converted residential uses in C1 districts are caught in the "Setback & Coverage; Recreation Space and Common Outdoor Space" requirements.

General By-Law Requirements

All conversions must comply with the general requirements of the By-Law as set out in Section 4: GENERAL PROVISIONS relating to such matters as set-backs, lot size, frontage, height and depth. The only exemption from Section 4 requirements is contained in Section 6(7) re: R1 districts (See above).

Dwellings Below Grade

The by-law contains no prohibition except for two apparently anomalous exceptions in Section 4(18)(a) and (b) which prohibit more than one sub-grade level of dwelling units, and which prohibit sub-grade dwellings in duplexes:

- 4(18)(a) Subject to the provisions of paragraph (b), no person shall, in any R, CR or QR district, erect or use any building or structure having more than one basement or floor level below or partly below grade containing dwelling units;
- (b) No person shall, in any R, CR or QR district use for the purpose of a dwelling unit or living quarters, any portion of a duplex dwelling house or double duplex dwelling house the floor level of which portion is below or partly below the level of the first floor of the duplex dwelling house or double duplex dwelling house (21295) (831-78)

Parking

Section 4(13) requires 1 parking space for each unit in a place of residence. For a "boarding or lodging house", 1 parking space is required for each 6 bedrooms or fraction thereof.

Section 4(13)(e) prohibits parking in front of the main wall of a residential building except for casual (i.e. visitor) use on a paved driveway.

Parking (Proposed)

The parking requirements as proposed for "converted dwelling house" is more lenient than at present:

- | | |
|-------------------------------------|--|
| a converted dwelling house (321-78) | 1 parking space for the first dwelling unit where such parking space existed on the lot prior to conversion, plus
1 parking space for each dwelling unit in excess of the first 2 dwelling units. |
|-------------------------------------|--|

The parking requirements as proposed for "a converted dwelling and lodging house" is more constraining than at present:

- | | |
|---|---|
| a boarding or lodging house or a converted dwelling and lodging house (480-75) (321-78) | 1 parking space for each 3 boarding or lodging rooms or fraction thereof in excess of 3;
1 parking space for each 2 dwelling units, or fraction thereof. |
|---|---|

A.1.4 Woodstock

Official Plan

The Official Plan for the Oxford Planning Area contains the official plan for Woodstock.

Section 4: General Development Policies contain some general statements that could be construed to support conversion, while Section 4.4.5 contains statements to either prohibit conversion or to encourage it:

4.2.1 General

"the county and area municipalities shall attempt to stimulate the provision of sufficient units of safe, sanitary and sound housing to meet the projected increase of the county's population during the planning period. In addition, the county and area municipalities shall adopt measures to encourage the provision of housing and a variety of types, sizes, densities and styles with varying lot frontages and lot sizes, in an attempt to accommodate the differing needs, aspirations and lifestyles of the residents of the County of Oxford."

4.2.2 Specific Measures

"in order to obtain the goals set out in section 4.2.1 the county and/or the area municipalities shall investigate and consider specific policies which may include the following:

4.2.2.7 "the development of a program directed toward the conservation, rehabilitation or redevelopment of the older established residential areas."

4.4.5 "with regard to designated historic sites and buildings, the County council and/or area councils may:...

-prohibit the conversion of structures to uses other than those presently existing and shall not allow additions or alterations to structures which may detract from the architectural or historical value of the properties;

- encourage the redevelopment or recycling of designated historical buildings to uses compatible with the historical buildings to uses compatible with the historical or architectural character of the buildings;

- encourage the preservation of historic sites and buildings;...

The City of Woodstock is dealt with specifically in Section 5.11.2 "Large Urban Growth Policy Area - City of Woodstock". The statement is too general to be of real use for conversions:

5.11.2 "Within the residential classification of land, the predominant uses shall be for all forms of residential development including low density single family dwellings, medium and high density multiple family dwellings. ..."

Zoning By-Law (By-Law No. 5899/81)

Definition: 2.36.7 "CONVERTED DWELLING HOUSE", means a dwelling house which has been altered or converted to provide two or more dwelling units.

Zone or District Specific Requirements

The zoning by-law, recently adopted, sets out conditions for conversion of dwellings for each of the residential areas where permitted, which is virtually all of the residential areas of the City. The charts are too detailed to set out here, and reference should be made to the by-law, Sections 10.2.3 and 12.2.

In summary: There are no age requirements for the dwelling proposed for conversion. The by-law is silent regarding limitations on external change, with the exception that additions must comply with yard set-back requirements (Sections 10.2.3 and 12.2). Such matters are covered as set-backs, parking lot coverage, frontage, area, depth, landscaped open space, height, number of converted dwelling houses per lot, and dwelling unit area.

General By-Law Requirements

The general requirements do not apply to converted dwellings, except for parking.

Dwellings Below Grade

Section 6.3 states that entire dwelling units are permitted in some basements, but not in cellars. Those parts of dwelling units located in cellars may only be put to limited use and cannot be used for sleeping.

Parking

Section 6.9.1 requires 1 parking space per dwelling unit in a converted dwelling house. The location of the parking space on the lot is to be per Section 6.9.13:

6.9.13 PARKING AREA LOCATION ON LOT

Notwithstanding the yard and set-back provisions of this By-Law to the contrary, uncovered surface parking areas shall be permitted in the required yards or in the area between the street line and the required set-back as follows:

ZONE	YARDS IN WHICH REQUIRED PARKING AREA PERMITTED
Residential	All yards provided that no part of any parking area, other than a driveway, is located closer than 1.0 metre to any street line. A parking area for residential units with individual private driveways may be located abutting the street line provided that not more than 50% of the required front yard is used for driveways and parking areas.

A.1.5 North York

Official Plan

Due to the area and use specific approach of the Official Plan, and the rigidity of the zoning by-law, together with the limited areas where converted use is permitted, conversion of any type is virtually prohibited in North York.

Zoning By-Law (By-Law No. 7625)

Definition: 2.32.1 "Dwelling converted" shall mean a dwelling more than thirty (30) years old altered to contain a greater number of dwelling units."

Zone or District Specific Requirements

Converted dwellings are permitted only in the RM3 (Residential Multiple) and RM4 districts which characteristically contain apartment buildings and little, if any, suitable stock in house form.

General By-Law Requirements

No variations are permitted to the coverage, yard set-backs and frontage requirements:

No person shall reduce any lot built upon in area, either by the conveyance or alienation of any portion thereof or otherwise, so that the coverage will exceed the maximum permitted by this By-Law, and the yards provided will be less than the minimum permitted by this By-Law for the zone in which such lot is located.

- 6.16 No person shall construct any building on any lot having a lot width less than the lot frontage requirement for the zone in which the building is to be constructed.

Dwellings Below Grade

The by-law is silent.

Parking

The by-law, in section 15.4(a) requires one accessible parking space for each unit.

A.1.6 Ottawa

Official Plan

The policy statement contained in the PLAN OF LAND USE: RESIDENTIAL AREA while not prohibiting converted dwelling use, is too general to be of practical assistance:

"The Residential Area category is intended to include: all dwelling uses..."

Statements to support conversion can be found for specified districts, as follows:

Plan of Heritage (Heritage Districts)

Goals

To preserve, improve and utilize heritage sites, structures, buildings, areas and environments for the benefit of the community and posterity, in co-ordination with the comprehensive planning needs and requirements of the City of Ottawa.

(NOTE: These are the most useful of the 13 provided)

Objectives

1. To protect and preserve heritage.
2. To restore appropriate heritage.
3. To rehabilitate heritage.
5. To prevent demolition, destruction or inappropriate alteration or use of heritage.
7. To develop and foster creative, appropriate and economic uses of heritage.
8. To consider social and community needs, in the preservation, improvement and utilization of heritage.

Implementation:

2. By-Laws (a) "Furthermore heritage zoning regulations will stabilize development, which, in turn, will encourage other investment, rehabilitation and conversion of certain uses to uses which are more compatible with the objectives of this plan."

Plan of Sandy Hill (pending: Amendment No. 84)

Policies:

A. General

- A. "1. To preserve and enhance Sandy Hill as an attractive residential neighbourhood, especially for family living.
2. To provide for a broad range of socio-economic groups.
3. To accept a modest increase in population, primarily as a way of housing some of growth in the Central Area labour force...

B. Land Use

1. Residential Land Use

- (a) To preserve and enhance the existing stock of good housing.

- (c) To provide a wide variety of housing, including accommodation for low-income people, the elderly, the handicapped and others with special needs.

Plan of Centre Town (Pending: Amendment No. 94)

3. Housing Policies: Conservation, Rehabilitation and Redevelopment

"The City of Ottawa shall adopt regulations to prevent the unnecessary demolition of good housing and shall encourage the retention and improvement of existing structures.

Zoning By-Law (By-Law No. AZ-64)

Definition: 34.(v) "Converted dwelling" which means an existing dwelling on an existing lot in which the number of dwelling units has been increased without alteration to the exterior of the building except for the required fire escapes, extra windows and entrances and provided that the building, when converted, complies with the provisions of the "building by-law" and the parking provisions of this By-Law, By-Law 311-65

Conditions are set for for conversion of units in the R4, R5, R6, R11 and R12 districts, which cover such matters as age, minimum floor area of both proposed units and existing structures, and maximum number of units determined by lot width:

39(b)(iii) converted dwelling, if:

- (A) The building is twenty (20) years or more in age based on the original date of construction, of which date the applicant for a building permit shall submit satisfactory proof, and
- (B) each dwelling unit created has a minimum floor area of thirty-seven (37) square metres exclusive of halls and stairwells, and
- (C) the total habitable floor area in the original dwelling is one hundred and thirty (130) square metres or more before conversion, and
- (D) the dwelling contains not more than four (4) dwelling units after conversion when the lot width is twelve (12) metres or more and no more than two (2) dwelling units after conversion when the lot width is less than twelve (12) metres.

NOTE: The provisions of 39(b)(iii) are similar to these for Heritage-Commercial, RC1 districts except that the minimum floor area of each dwelling unit created is to be 65 square metres, and the habitable floor area of the original structure is not governed).

In Heritage-Residential, HR1 and 2 districts the structure is to be 20 years old at least. Fifty percent (50%) of the units must have 3 or more bedrooms and the minimum floor area is to be 375 square metres.

General By-Law Requirements

All general requirements (covering such matters as side yards, density, corner sightlines, width of lot, etcetera) must be complied with.

Dwellings Below Grade

The by-law is silent.

Parking

Requirements for converted dwellings are contained in Section 13(1A):

13(1A) Number of Spaces per Dwelling Unit

Area A on Map F		Area B on Map F		Area C on Map F		Minimum Visitor Parking Area "A", "B", "C"		
Min.	Max.	Min.	Max.	Min.	Max.			
<u>Converted Dwelling</u>								
0.5	2.0	0.7	-	1	-	0	0	0

These requirements are not as constraining as those required for single family dwellings, duplex and rows, where the numbers, respectively are:

1	-	1	0	1	-	0	0	0
---	---	---	---	---	---	---	---	---

A.2 MODEL 3

(Building an addition (vertically or horizontally) to a grade-related dwelling to increase the number of dwelling units.)

A.2.1 Kingston

Model 3 conversions are prohibited both by 5.23's provision that there be "no change, addition or enlargement made to the external walls or roof" and by 5.23A's provision that the maximum addition to floor space is 19 sm and the roof may be altered or enlarged for light and air by no more than 10% of the roof area.

A.2.2 Hamilton

Section 19 contains a restriction on increasing the cubic contents of a converted dwelling in single-family districts, and therefore prohibits conversion per Model 3.

A further condition is attached which applies to all districts that "the external appearance and character of the dwelling is preserved." It is arguable, therefore, that in areas other than single-family areas, a thoughtfully designed addition of similar materials would be permitted.

A.2.3 Toronto

In R1, R1A and R1F such a conversion would be prohibited due to the prohibition against exterior additions and major external changes as well as the requirement that the structure retain its appearance as a single-family dwelling.

Throughout the other areas (R2, R3, R4, R4A) where "converted dwellings and lodging houses" are permitted, the by-law as enacted addresses only lodging houses, while converted dwellings are the subject of new legislation in the 321-78 and 501-81 series of by-laws which have been passed at Council. At the time of writing these by-laws are before the Ontario Municipal Board. When enacted, these by-laws, as drafted, will also require that the house continue to appear as a single-family dwelling and any addition will be limited to a maximum of 0.15 times the coverage of the lot. In practice this will render impractical many proposed conversions utilizing additions, but on some lots will make an addition an attractive part of a conversion.

A.2.4 Woodstock

The Woodstock by-law contains guidelines for permitted conversions in sections 10.2.3 for R2 areas and section 12.2 for R3 areas. So long as a proposed conversion utilizing an addition fits within the set-back and other requirements of these sections, there is no impediment.

A.2.5 North York

Aside from the definition ("dwelling converted" shall mean a dwelling more than thirty (30) years old altered to contain a greater number of dwelling units") the by-law contains no other requirements for conversion. In the two areas where converted dwelling use is permitted (RM3 and RM4) an addition, and thus a model 3 conversion would be acceptable so long as all set-back and other standard requirements are met.

A.2.6 Ottawa

Model 3 conversion is prohibited. Conversion is only permitted "without alteration to the exterior of the building" by the definition in section 34(v).

Model 4 and Model 5 conversions are prohibited in all study municipalities where the same provisions in each zoning by-law prohibit both models.

A.3 MODELS 4 AND 5

Model 4 - Building a second or third separate dwelling on a lot which presently has one dwelling unit in place (e.g. back lot or side lot development).

Model 5 - Building several separate dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a high-rise building).

A.3.1 Kingston

A side lot rental unit is prohibited by the requirement that one building occupy one lot. This also prohibits a rear-yard rental unit; this is reinforced by the prohibition against a dwelling at the rear of another building.

5.22 Residential Units Fronting on a Street

- (a) No building which is not fronting on a street shall be erected or altered for use as a dwelling.
(By-Law Nos. 8499 - 1975 and 9229 - 1978)
- (b) No building at the rear of any other building on the same lot shall be erected or altered in such a manner as to produce the condition of a dwelling located in the rear of any other dwelling and not fronting on the street.
(By-Law No. 8499 - 1975)

A.3.2 Hamilton

Models 4 and 5 conversions are prohibited in Hamilton by 4(3)(b) which requires that the dwelling be on a lot on a street together with the requirements that there be only one dwelling house per lot 4(3)(a). There is no specific house-behind-a-house prohibition, but the authorities use these two subsections together to prohibit it. Hamilton also has complex "light obstruction" prohibitions which prevent close construction.

- 2(2)J.(1b) "Average angle of light obstruction" means that angle which is obtained by multiplying each different angle of light obstruction by the length of the building frontage over which it occurs, and dividing the sum of

these products by the total building frontage on that street; and, in such computation, where any angle of light obstruction is less than 20 degrees it shall be considered as 20 degrees, but where any section of a height which is uniform along the street frontage has an angle of light obstruction less than the average permitted and has a frontage of less than 6.0 metres (19.69 feet), the same shall not be included in such computation to reduce the average; (10379/64) (79-288)

A.3.3 Toronto

Models 4 and 5 are prohibited in Toronto by requirements that a residential building be built on a lot fronting on a "public highway" 4(20)(a) and by the prohibition that a residential building is not to be in the rear of another 4(20)(b), together with the requirement in 4(26) which amounts to a provision that one can only build one building in a lot. (route: 4(26) - 2(64) "lot")

But due to the definition of "lot", if the rental structure, apparently separated above ground were connected to the original house by a common basement, the two would be deemed one building, and if the set-backs were complied with, no prohibition would exist in terms of construction.

The renting of the addition would be prohibited by the existing prohibitions of the "conversion" provisions against external change and prohibition against building more than 55 feet into the lot.

"lot" means a parcel of land except where two or more buildings or structures, exclusive of any accessory building or structure, are or are to be erected on a parcel of land in which case each such building or structure, whether erected or to be erected simultaneously or at intervals, shall be assigned a defined part of the parcel at the time of application to the Commissioner of Buildings for approval of the plans of the building or structure and each such part shall be deemed to be a lot; and where two or more buildings or structures have a common basement, whether or not they are also connected above the natural level of the ground, such buildings or structures shall be deemed to be one building.

4(20)(a) No person shall erect or use any residential building otherwise than on a lot fronting or abutting on a highway

assumed for public highway purposes, other than any lane laid out in the rear of lands abutting on a highway or any outlet connecting such a lane with a highway.

- (b) (i) No person shall erect or use any residential building in the rear of any other building.
- (ii) No person shall erect or use any building in front of any other building in such manner as to produce the condition of a residential building being located in the rear of any other building.

4(26)(a) No person shall, in any R District, erect or use any building or structure except on a parcel of land that could, at the time of application for a building permit, be conveyed in compliance with the provisions of The Planning Act.

- (b) No person shall, in any R District, erect or use more than one building or structure, together with any building or structure that is accessory thereto, on a parcel of land which complies with the provisions of paragraph (a).

A.3.4 Woodstock

Models 4 and 5 are prohibited. Due to the wording of the requirements for each residential area, more than one residential building cannot be constructed on a "lot" and, in addition, the street frontage requirements prohibit a rear-yard structure.

- 2.69 "LOT" means a parcel or tract of land;
- 2.69.1 which is a whole lot as shown on a registered plan of subdivision; or
- 2.69.2 which is held under separate ownership from adjacent lands according to registration thereof in the Registry Office or Land Titles Office.

6.13 Street Frontage Required

No person shall erect any building or structure in any zone unless the lot upon which such building or structure is to be erected has frontage upon an improved street.

A.3.5 North York

Models 4 and 5 are prohibited. Only one building is permitted per lot. Lot is defined as above. In addition, street frontage is required which would prohibit rear-yard construction.

- 2.52 "Lot" (in general) shall mean a parcel of land which fronts or abuts on a street, and
- 6.15 No person shall erect any building or structure in any zone unless the lot upon which such building or structure is erected, or to be erected, fronts upon an improved street which has been graded and gravelled to the specifications of the Borough Commissioner of Public Works to permit motor vehicular traffic at all times of the year.
- 7.2.1 No person shall erect more than one one-family detached dwelling on any residential lot.

A.3.6 Ottawa

Models 4 and 5 are prohibited - only one residential building per lot.

- 6. Except in the case where a group building project is permitted, not more than one (1) residential use building shall be erected on any lot within any of the areas defined in this by-law.
- 23. "lot" means a parcel of land abutting a public street which may be on a registered plan of subdivision.

APPENDIX B

APPENDIX B

The following is a detailed discussion of Models 2 through 5 and the extent to which the various policies contained in the Official Plans and provisions of zoning by-laws of each case study municipality impact or a particular model. This portion of the paper should be read in conjunction with Appendix A which contains the detail of the various policies and provisions discussed here.

SUMMARY FOR MODEL 2

KINGSTON

In theory, converted dwelling use in Model 2 is permitted throughout all residential areas of Kingston being prohibited in three small sub-areas. In practice, it is difficult to convert a dwelling due to the requirements included in the zoning by-law. Sections 5.23 and 52.3(A) contain a code intended to govern and completely encompass conversion of one-family dwellings to multiple-family dwellings (5.23) and to two-family dwellings (5.23(A)). These sections contain age requirements that the building proposed for conversion must have been constructed prior to 1941. External change is prohibited. Any external alteration of any sort is limited both as to purpose and area.

The zoning by-law contains size requirements both as to the existing floor areas of one-family dwelling proposed for conversion and as to the floor area requirements for the resulting converted units. The impact of the size requirements will be to prohibit conversion in all but a tiny proportion of the existing housing stock in Kingston as demonstrated by information regarding floor area of dwellings found in the Ministry of Revenue assessment data. This data indicates that of the existing 7,722 owner-occupied grade-related dwelling units in Kingston, only 221 are larger than the requirement that the existing dwelling

proposed for conversion be a minimum of 2,500 square feet (232.25 square metres) in area.

The resulting converted dwelling units are required to have total floor areas well above the requirements contained in the OBC and creation of dwelling units with one or more separate bedrooms is strongly encouraged as opposed to the creation of dwelling units without a separate bedroom.

The result of the requirements that the proposed converted dwelling units fit within either section 5.23 or 5.23(A) as well as complying with the parking requirements of the by-law will result in very few proposals for converted dwelling use proceeding as of right. Many applications will require the approval of the Committee of Adjustment if the variance is major a re-zoning will be required. This will result in an expensive, time-consuming process for the applicant and provide ample opportunity for neighbours to object. The key informant interviews in Kingston indicated that due to a number of negative experiences with absentee landlords catering to the student population at Queen's University, the community reaction to any proposals for conversion, of whatever type, tends to be adverse since the existing stock housing meeting the age and size requirements for possible conversion tends to be located in the older residential areas close to the University.

An in-depth examination of the requirements of the Official Plan and the local by-law follows below.

KINGSTON

OFFICIAL PLAN

General statements in the Official Plan for Kingston, as with most of the other municipalities, can be used to provide oblique support for conversion. Like many Official Plan statements they are of such a general nature that they can be manipulated to provide support for many other types of recommendations.

In Kingston, for example, Section 1(8) Housing states:

"It is the policy of council to determine periodically the housing needs of the population and to stimulate the building of such units to provide the population with sanitary, safe and sound habitation." (1)

This policy statement would obliquely enable municipal authorities to promote conversion of larger residential structures containing one dwelling unit to structures containing two or more smaller dwelling units when the perceived housing needs of the population would support it.

The Kingston Official Plan in Section i(30) contains a serious constraint against conversions within the areas designated within the City as "AREAS OF STABILITY":

"It shall be the policy of council to preserve and protect these areas so that no basic changes will be made through zoning or other public action which is out of keeping with the character of the areas for a period which may range up to twenty years. Repairs, maintenance and some enlargements but not conversions, will be permitted to uses lawfully existing."
(underlining added)

From the foregoing it will be seen that the Official Plan for Kingston contains a statement of such generality that it can be used to support any housing program including conversion per Model 2 but it is not, in fact, strongly oriented toward conversion. Another policy statement is strongly directed against conversion in certain areas.

KINGSTON BY-LAW

In section 5.23 and the recently enacted Section

5.23(A) of the Kingston By-Law in effect created a code which is intended to govern and completely encompass conversion of one-family dwellings to multiple-family dwellings in the case of 5.23 and to two-family dwellings in the case of 5.23(A). The definition section of the by-law does not contain a definition of a converted dwelling; instead, the provisions in section 5 taken together constitute a comprehensive definition. The recently enacted section 5.23(A) was intended to be more constraining than the provisions of the already existing section and were drawn up as a response to perceived problems arising from conversions in the area adjacent to Queen's University. Apparently, the reaction of the local community to "conversions" by absentee landlords to accommodate large numbers of Queen's students was strong enough to ultimately result in the amendment.

Converted dwelling use is permitted in virtually every area of Kingston where residential use is permitted, being prohibited in only three small sub-areas: a mobile home location in the north-east of the city, the area designated "E" in the by-law which coincides with the University buildings and on the block between Barrack Street and Ordnance Street at Rideau.

Section, 5.23, withdraws conversion applications from the general requirements of the by-law by introductory language that the Section applies to conversions "notwithstanding any provision or regulation of this by-law" if the conditions of the subsection are met. The effect of this is to permit as of right those conversions which fit completely within the parameters of the subsection and to prohibit conversions, as of right, if the conditions are not met.

Pursuant to 5.23, the proposed conversion of a one-family dwelling to a multiple-family dwelling, due to the definition of "multiple-family dwelling", is to be to three or more units. The permitted zones are laid out, therefore any proposal must be within one of the permitted zoning areas. An age requirement

is included, thus the proposal must be for a one-family dwelling constructed before 1941. A prohibition is put on external change. A ratio of dwelling units with one or more separate bedrooms is established in reference to dwelling units with no separate bedroom. The ratio is to be a minimum of three to one. The total floor area of each proposed unit is to be according to a table based on the number of bedrooms as follows:

0-28 m² (301 square feet)
1-42 m² (452 square feet)
2-56 m² (603 square feet)
3-70 m² (753 square feet)
4-79 m² (850 square feet)
5-79 m² (850 square feet) + 9 m² (97 square feet)
for each bedroom beyond four.

The existing one-family dwelling for which conversion is proposed must have a minimum total floor area of 232 square metres (2,497 square feet).

Section 5.23(A) applies to the conversion of a one-family dwelling to a two-family dwelling. The introductory words of the Section withdraw such a proposed conversion from the general requirements of the by-law providing that the conditions contained in the Section are to be met. Once again the zoning areas in which the proposal is to be located are set forth. The section contains a size limit to any increase in floor area to not more than 19 square metres of floor space. Similarly roof alterations for the purposes of light and air are limited to an area of no more than 10% of the roof. (These requirements relating to conversions can be analysed in greater detail by use of the matrix for model 2 which is in Appendix A). The floor area requirements for section 5.23(A) are the same as those for section 5.23.

The floor area requirements for converted units in the zoning by-law are in excess of the minimum provided for by the Ontario Building Code.

The impact of these requirements, especially the existing minimum floor area requirement of 232 square metre (2,497 square feet), is to prohibit conversion possibilities in a large percentage of the existing housing stock. According to Ministry of Revenue assessment data there are 7,722 owner-occupied grade-related dwelling units in Kingston. Of these, only 221 are larger than 2,500 square feet (232.25 square metres). Calculating the total area required as a minimum to create three three-bedroom converted units and comparing the area required to the 232 square metre requirement gives an idea of how generous the size requirement is. The Kingston by-law requires 70 square metres (753 square feet) for a three-bedroom unit, so presumably the City representatives were of the opinion that this area requirement is a suitable minimum. Three of these 70 square metre three-bedroom units total 210 square metres (2,260 square feet) which is less than the minimum required before a dwelling is eligible for conversion under the by-law.

The by-law contains parking requirements for converted dwellings in the amount of one parking space for each two dwelling units in a building which is converted to a total of not more than four dwelling units. One parking space is required for each dwelling unit in a building which is converted into five or more dwelling units. It can be seen that this is a serious deterrent to a conversion involving five or more dwelling units. The parking is to be located in the rear yard of the lot or in an adjacent or neighbouring lot not more than 60 metres from the building lot. As previously discussed in this study, parking requirements can act as a practical deterrent to conversion since it can be difficult or impossible to provide the required parking on site. Since an application for conversion on a lot where the parking could not be supplied in the rear yard would require an application to the Committee of Adjustment for a minor variance, the parking requirements can provide a tool for exploitation by neighbouring land owners who object to the conversion and thus prohibit use of the lot and the existing structure. Opposition to converted dwelling use regardless of the circumstances by neighbours is not merely

a hypothetical possibility. In each municipality included in the study reference was made to incidences of less than rational opposition by neighbours to applications for conversion, generally in certain areas of the municipality. The areas from which opposition could be expected tended to be middle and upper income areas, the areas containing a supply of larger houses suitable for conversion. In one of the study municipalities (not Kingston) a staff member cynically remarked that certain performance standards which were difficult to meet were included in the by-law so that virtually no application would proceed as a right and the neighbours would always have a vehicle for opposition.

As noted above, the introductory language of sections 5.2 and 5.23(A) withdraw an application for conversion out of the general requirements of the by-law with regards to such matters as lot frontage and size requirements.

Dwelling units may be partially or wholly constructed below grade in Kingston, so long as the light, ventilation and size requirements of the OBC are met.

From the foregoing, it can be seen that an application for conversion for the model under discussion, namely, that of changing a single household use to a multiple household use must fit within the provisions of section 5.23 for a conversion to three or more units, or within section 5.23(A) for a conversion to two dwelling units. In all cases the existing dwelling structures must have been constructed prior to 1941, the parking requirements of the by-law must be met, the lot must be located within one of the permitted zones and the minimum floor area requirements must be met. In both sections the constraints on external change are stringent. Any application which does not fit within the sections will require approval by the Committee of Adjustment if the variance from the sections is minor; if the variance is major a re-zoning application will be required. (For a fuller discussion of this, please refer to the portion of the study which examines the Approval Process).

The Hamilton by-law permits converted dwelling use as anticipated by mode 2 throughout the residential areas of Hamilton with a few small sub-area exceptions. Conversion to an use other than residential use is permitted in the Official Plan in high-intensity residential areas where council may permit the conversion of existing residential buildings for commercial uses. This may well act to create economic competition in those areas for conversion between commercial office use and the less profitable multiple residential uses.

The practical opportunities for conversion are limited by section 19 of the Hamilton by-law which contains a code like that found in the Kingston by-law, which completely encompasses converted dwelling use. So long as a proposal complies with the performance standards set out in section 19 the rest of the Hamilton by-law does not apply. The major constraints contained in section 19 are the age requirement that the building was built prior to 1940, the limitations on internal increase and cubic contents of the structure in some zoning areas and the limits to the degree of external change in all residential areas. The parking requirements in Hamilton serve to restrict the number of units which will be able to proceed as of right. The number of units in a converted dwelling is dictated by a combination of the zoning district in which the existing dwelling is located and the size of the lot which will have the effect of prohibiting conversions in one area which would be considered very acceptable in another. The minimum unit size for converted units is well in excess of the requirements of the OBC and will act as a practical deterrent to certain bachelor and one-bedroom forms of conversions.

HAMILTON

OFFICIAL PLAN

The official plan for the City of Hamilton contains in Section A.2.1 - Residential Uses a general statement which

can be used to support conversion. When considered together with the statements in Subsection C.7 - Residential Environment and Housing Policy a reasonably strong case can be made that the Hamilton Official Plan contains encouraging provisions for conversion.

Section A.2.1 referred to immediately above contains the following:

"It is the intent of this plan to ensure that the residential uses (sic) of land is sufficient to accommodate anticipated population growth in changing demands for residential developments of various styles and densities..."

"2.1.8 It is the intent of council that a variety of housing styles, types and densities be available in all residential areas of the City,..."

Subsection C.7 contains the following statement:

"...while it is expected that single-family housing will continue to be the dominant housing requirement, a latent demand for multiple-family housing is recognized.

7.1 In the development of new residential areas and as far as practicable, in the infilling or redevelopment of established areas, council may undertake to require the following in order to achieve high standards of residential amenity:..."

The subsections which follow this language include the provision of advice and assistance in the improvement and maintenance of private dwellings (v), "methods of encouraging the maintenance and improvements of buildings in residential areas" (vi). Section 7.3 contains a policy guideline that council

is to ensure that the local residential environment is of a "condition and variety satisfactory to meet the changing needs of area residents." Among the things that council will do is to encourage the "rehabilitation of dwellings as an alternative to demolition" (vi) and in subsection (iii) of section 7.3 council is to encourage residential development "that provides a range of types and enure to satisfy the needs of the residents at densities and scales compatible with the established development pattern".

Hamilton's official plan contains one strong deterrent to the conversion of existing residential buildings for more intensive residential use. In high intensity residential areas, council "may permit the conversion of existing residential buildings...for commercial uses such as financial offices...". Presumably this would encourage conversion of house form older buildings for non-residential uses such as lawyers' professional and commercial offices, local banks and the like. This form of conversion can be very attractive for such uses who may desire ownership of a building of a scale sufficiently modest that it is economically feasible to carry. It does, however, remove these attractive residential buildings from the potential stock of buildings which intensification through conversion might otherwise look to.

HAMILTON BY-LAW

The Hamilton by-law contains a definition of converted dwelling.

"Dwelling, converted" shall mean a dwelling altered from a dwelling to make a greater number of dwelling units, or in a district where permitted a multiple dwelling altered from a dwelling.

Section 19 of the Hamilton by-law contains a code, like that of the Kingston by-law, which completely encompasses

converted dwellings removing applications for conversion and of the general by-law so long as the conditions of the section are met. The list of permitted uses for each of the residential zones in Hamilton contains an indication as to whether or not converted dwelling use is permitted. Converted dwelling use is a permitted use throughout most residential areas in Hamilton, being prohibited in only a few small sub-areas.

An age requirement is included in section 19. In order for a dwelling to be eligible for dwelling conversion it must have been erected prior to July, 1940. No internal increase in the cubic area is permitted in these residential districts which permit only single-family dwellings. This is a serious limitation to converted use when in order to make the use comply with OBC requirements, or to cope with practical concerns such as access some increases in the cubic content of a structure may be dictated. Throughout the remainder of the dwelling districts there is no prohibition of increase of cubic area contained in a structure but there is a requirement in subsection (v) of section 19 that the external appearance and character of the dwelling be preserved. Arguably, this permits some external change if it is thoughtfully done with attention to such details as external building materials. The maximum number of units which can be constructed in a converted dwelling ranges from a minimum of two to a maximum of three and is dictated by the zoning district and the size of the lot (see subsections (vi) through (viii)). The minimum size of each new dwelling unit is to be at least 65 square metres which is well in excess of the requirements of the OBC.

Parking requirements are to be in accordance with section 18(3) which requires one parking space per unit unless the building is a "multiple dwelling" (which is generally one containing more than four units) in which case parking spaces may be reduced to 80% of the number of dwelling units. No parking may be located in a required front yard.

The one exception in section 19 to the non-application of the remainder of the by-law is contained in sub-section (x). In the situation where the conversion requires an addition or enlargement, the front yards, side yards and rear yards as provided in accordance with the general provisions of the zoning by-law are to be complied with.

To summarize the above, it appears that conversions from single household use to multiple household use are permitted within the limits set out in section 19 of the Hamilton zoning by-law. The major constraints are the age requirements, the limitations on increases to internal cubic area in some zoning areas, the limits to the degree of external change in all areas, as well as the parking requirements, the front, side and rear yards compliance requirements for additions, and the limit on the number of units by a combination of the zoning area and the lot size. The minimum unit size is very generous and will act as a practical deterrent to some desirable bachelor and one-bedroom type of conversions.

The local building by-law contains requirements that are stricter in some ways than those of the OBC. Each application will be affected in varying degrees depending on the proposal.

TORONTO

SUMMARY FOR MODEL 2

While the Official Plan for the City of Toronto is generally neutral with regard to conversions, the existing zoning by-law permits converted dwelling use in only a small number of districts (which coincidentally tend to be very high income districts, such as the Rosedale area) and all

together make up less than 10% of the geographic area where residential use is permitted. A series of by-laws is currently proceedings through the approval process, having been passed by Council but which have not, as of the date of writing, received approval of the Ontario Municipal Board. The proposed by-laws extend converted dwelling use throughout all residential areas of the City, in theory extending the geographic possibilities for converted use significantly. In practice, the combination of the requirements of the existing by-law and those in the proposed by-laws, opportunities for conversion will continue to be seriously limited due to the age requirements, the ownership requirements, the prohibitions on external changes and certain area specific requirements contained in the by-law such as the one for the R1F Districts that the applicant provide evidence that the structure is unmarketable as a single-family dwelling prior to obtaining permission to convert. While the proposed by-laws relax the parking requirements somewhat it can be expected that inability to meet on-site parking requirements will result in many proposals being unable to proceed as of right and will require application to the Committee of Adjustment.

TORONTO

OFFICIAL PLAN

The Official Plan for the City of Toronto contains only one specific policy statement regarding conversion. The statement contained in Section 2A.9 supports conversion to the extent that housing targets cannot be met by other producers and programs by council. Council by this statement is permitted to "acquire, improve and/or convert existing houses for individuals and families of low-to-moderate income."

The general statements contained in other sections of the Official Plan, for example, sections 2A.1, regarding the housing goals of council, 2A.3 , regarding housing policy statements, and 2A.8, regarding goals and targets of long and short term housing policies can all be used to obliquely support conversion. The housing goals of council as set out in 2A.1 include "the provision of...housing...at prices which they can afford", the "equitable distribution of housing...", the "preservation and improvement of existing housing..." and housing to suit "the handicapped and the elderly". Council is directed in 2A.3 to prepare and adopt housing policy statements. These statements are to include such matters as "annual targets for the repair and rehabilitation of existing housing", "targets for the acquisition and improvement of existing housing", "annual targets for the production and provision of housing for various household types...including housing suitable for families with children".

Council itself is enabled to carry out the achievement of its goals and targets for long-and short-term housing policies by the provisions of section 2A.8 that "Council may acquire land and/or buildings".

The Official Plan could, arguably, be manipulated to be supportive of conversion through statements aimed at the more efficient use of the infrastructure such as those statements contained in section 1.1(b) that it is "Council's policy...to improve the efficiency, amenity and appearance of the various parts of the City...".

A policy statement to provide indirect support for conversion as opposed to demolition of structures can be found in 1.1(c): "the distinctive character of the different parts of the City,... will be maintained and enhanced."

A number of the foregoing provisions for the City of Toronto are of a very general nature and could be relied upon only as indirect statements capable of oblique support for conversion and as with most general statements can be used to support many other types of programs and policies.

TORONTO BY-LAW

The zoning by-law for the City of Toronto is, at the time of writing, in a state of transition in that a number of proposed amendments known as the 321-78 and 501-81 series of by-laws have been passed by City Council and are before the Ontario Municipal Board but as of the date of writing, have not received approval. When this series of by-law amendments has been passed by the Ontario Municipal Board and signed by the Minister they will be retroactive to the date of passage by City Council. This situation leads to present difficulty since the more stringent of the requirements of either the existing or proposed by-laws are those which City staff currently require to be satisfied by an applicant before approval is given at the city level to a proposal.

The present by-law permits converted dwelling use in a small number of districts, namely, a sub area of the R-1 district, the R-1A districts and the R-1F districts. This represents less than ten percent of the geographic area where residential use is permitted.

At present in the R2, R3 and R4 areas of the City of Toronto, boarding and lodging houses are a permitted use within the limits of the by-law. When the 321-78, 501-81 series of by-laws are approved the relevant sections for each of the aforementioned zoning areas will be amended to include converted dwellings as well as boarding and lodging houses. This will result in converted use being permitted in more than eighty percent of the areas where residential use is permitted.

The present by-law contains a definition of converted dwelling house as follows:

"Converted dwelling house" means a one-family dwelling house including any addition thereto, which has been or is proposed to be altered or converted so as to provide thereto two or more dwelling units.

The proposed definition for "converted dwelling and lodging house" is as follows:

"...a dwelling house, originally constructed as a private detached dwelling house or a one-family dwelling house (other than row housing) which including any addition made prior to conversion, is at least five years old, which has been or is proposed to be altered or converted so as to provide therein two or more dwelling units and one or more boarding or lodging rooms."

It can be seen that the proposed definition which will apply to the R2, R3 and R4 areas is much stricter than the definition of converted dwelling house which will continue to apply to the R1, R1A and R1F districts. Since the requirements for the various districts in Toronto vary considerably, it is useful to consider the R1, R1A and R1F districts separately from the remainder. The age requirement for the R1 sub area (this sub area roughly approximates the area known as Rosedale) is that the house be at least twenty years old, while the age requirement for the R1A and R1F districts is that the house be at least forty years old and in addition, contain a gross floor area of at least 280 square metres. Minimum unit sizes are prescribed for the R1 sub area of at least 55 square metres with the further minimum that the average of all of the dwelling units total at least 110 square metres.

The R1A and R1F districts have ownership requirements that the applicant be the owner of the dwelling house for at least three years prior to the application for conversion. The owner in addition to satisfying this, usually by Statutory Declaration, must also submit conclusive evidence that the dwelling house is unmarketable at a reasonable price for use as a private detached dwelling house. There is no doubt, however, that a provision such as this allows ample discretion to refuse an application and in the event that an application requiring minor variance goes to the Committee of Adjustment, would provide handy grounds to an objector for opposing the application on the grounds that the evidence is no "conclusive".

The existing by-law for the R2, R3 and R4 areas anticipates boarding or lodging houses, not "converted dwelling" since a converted dwelling contains "dwelling units" which by the definition must contain culinary and sanitary conveniences. Therefore the municipal regulations reviewed for R2, R3 and R4 areas in this paper are the provisions contained in the 321-78, 501-81 series of by-laws referred to above. These by-laws contain numerous constraints. There are to be no substantial changes in the external appearance of the dwelling house as a one-family dwelling house and there are to be no exterior alterations or additions to the dwelling house except an addition which may be added in the rear or side yards and which is not to exceed 0.15 times the area of the lot. This 0.15 times addition is permitted only when the overall coverage will remain within the density requirements of the by-law. Only one addition may be added at the time of application or thereafter. Porches and dormers may be added in very limited circumstances. The average of the floor areas of the dwelling units after conversion must not be less than 33 square metres in the case of a converted dwelling and lodging house and not less than 65 square metres in the case of a converted

dwelling house. The age requirement for the proposed additions to the by-law are the same as those contained in the definition section, namely, the house must be at least five years old. In a structure which is proposed for conversion to a converted dwelling and lodging house in an R2 district, a limit is placed on the number of boarding or lodging rooms which may be included in the converted structure. In addition to the dwelling units created the maximum number of boarding or lodging rooms is not to exceed six.

While it can be argued that permitting converted uses will render the by-law more permissive of converted use than is the case at present, the provisions as proposed in the series of by-laws currently before the Ontario Municipal Board are sufficiently restrictive that they will act as a practical deterrent to conversion of many residential structures.

Converted dwelling and lodging houses and converted dwellings are permitted uses in C1 and C2 districts with no conditions attached to the converted use beyond those contained in the definition sections (note: "converted dwelling and lodging houses" is one of the definitions contained in the yet to be formally approved 321-78, 501-81 series). It should be noted that due to the definitions of "residential building" and "mixed use building" in section 4(12)(o)(vii) and (viii) it is likely that converted residential uses in C2 districts are caught by the Recreation Space and Common Outdoor Space requirements.

The parking requirements as they exist at present require one parking space for each dwelling unit in a "place of residence" (section 4(13)). In addition, pursuant to the requirements of 4(13)(e) a parking space cannot be located on a lot in front of a main wall of a residential building.

The provisions contained in 321-78, 501-81 series are more lenient for a converted dwelling house in that one parking space is required for the first dwelling unit where such parking space exists on the lot prior to conversion, plus one parking space for each dwelling unit in excess of the first two dwelling units. The typical narrow lots throughout much of the older residential districts of Toronto which contain the usual mix of semi-detached, row houses and some detached dwellings often do not provide enough room for a driveway to the rear yard, and, in the absence of a lane to the rear, can render an application to converted dwelling impractical due to the impossibility of complying with the rear yard, onsite parking requirements.

Nothing in the provisions regarding converted dwellings in the Toronto Zoning By-Law, either as it exists or as it is proposed, exempts an application for converted dwellings from the set back, lot size, lot frontage, height and density requirements contained in section 4: General Provisions of the By-Law. The only exceptions to this are the requirements of section 6(7) for the R1 sub area which permits a vertical conversion of a dwelling house to a pair of semi-detached dwellings notwithstanding that the dwelling houses best created by such vertical division will not comply with section 4. With the exception of this very small exception, all converted dwellings must comply with section 4 including those structures which previous to conversion have legal non-conforming status due to their existence prior to the passage of the by-law in 1953 since they will lose the non-conforming status on the conversion to a different use. Very few houses in the City of Toronto were built after 1953, unlike the houses in the outer boroughs and North York.

Generally speaking, there are no prohibitions regarding dwelling units below grade aside from those contained in the OBC. The very small prohibition to this approach are contained in section 4(18)(a) and (b) which prohibit below grade dwelling quarters in a duplex or a double-duplex dwelling house. The reasons for this prohibition are not known due to the length of time since the section was enacted. The impact is likely to be minor as the number of duplexes (as defined in the by-law they must have been constructed originally to contain two dwelling units) is relatively small in terms of overall housing stock.

Toronto has a local housing standards by-law above the requirements of the OBC which will apply to some conversion proposals to restrict them further.

WOODSTOCK

SUMMARY FOR MODEL 2

The recently adopted by-law for the City of Woodstock permits converted dwellings in the R2 and R3 districts which occupy approximately one quarter of the lands zoned for residential purposes. These areas were chosen and designated to coincide with the areas which would be eligible for RRAP funding. Opportunities for conversion as of right do not exist in the remainder of the residential districts.

Within the districts where converted units are permitted, the required yards, set-backs, height requirements, landscaped open space, number of converted dwelling houses per lot, dwelling unit area, and parking requirements are set out. No deviations are permitted in the by-law with the exception of yard set-backs in the case of a house located in the R2 district built prior to the passage of the by-law. The by-law contains no restrictions as to changes

to the interior or exterior of the building, no age requirements and no other conditions of a subjective nature which must be met prior to obtaining permission to convert. Thus in Woodstock once the objective criteria are met, a proposal may go ahead.

The relevant sections of the by-law, 10.2.3 (R2 districts) and 12.2.1 (R3 districts), amount to a straightforward list of the yard, height, landscaped open space and other requirements and are self-explanatory. Reference may be made to these sections which are included as Appendix A and no in-depth discussion of the by-law is included in this part of the paper as it would be merely repetitive.

Care was exercised in Woodstock to attempt to ensure that the zoning by-law requirements reflected typical existing residential buildings to maximize the number of proposals that will go ahead as of right. The remainder of proposals outside the by-law will require Committee of Adjustment approval or a rezoning depending on the degree of variance.

WOODSTOCK

OFFICIAL PLAN

The Official Plan for the Oxford Planning Area contains the Official Plan for the City of Woodstock. The area-wide statements contained in Section 4: General Development Policies could be used to provide an indirect support for conversion on a county-wide basis which would include Woodstock.

4.2.1. "The county and area municipalities shall attempt to stimulate the provision of sufficient units of safe, sanitary and sound housing to meet the projected increase of the county's population...In addition, the county and area municipalities shall adopt measures to encourage the provision of housing and a variety of types, sizes, densities and styles...in an attempt to accommodate the differing needs, aspirations and lifestyles of the residents of the County of Oxford."

One of the specific measures which the area municipalities may undertake is "the development of a program directed toward the conservation, rehabilitation or redevelopment of the older established residential areas."

4.2.2.7). This can be aimed at an attempt to conserve residential stock in older residential areas through conversion. As being part of "conservation" and "rehabilitation". It is arguable that the "redevelopment" provided for in the statement could be used to support demolition of existing housing stock as opposed to conversion. The policy statements regarding designated historic sites and buildings, can be used to either prohibit or to encourage conversion. Section 4.4.5 contains a statement that the area councils may "prohibit the conversion of structures to uses other than those presently existing and shall not allow additions or alterations to structures which may detract from the architectural or historical value...". The following subsection permits area councils to "encourage the redevelopment or recycling of designated historical buildings to uses compatible with the historical or architectural character of the buildings". The same subsection contains a statement encouraging the preservation of historic sites and buildings. Conversion can be a useful tool for the preservation of historic residential buildings as opposed to demolition and new construction.

The Official Plan for the City of Woodstock which is contained in Section 5.11.2 "large urban growth policy area - City of Woodstock" contains only the most general statement for residential development. It could be used to support conversion indirectly, if at all. It would be a very weak policy directive, indeed.

"5.11.2 Within the residential classification of land, the predominant uses shall be for all forms of residential development including low density single-family dwellings, medium and high density multiple-family dwellings..."

NORTH YORK

SUMMARY FOR MODEL 2

Conversion is virtually impossible in North York due to the area and use specific approach of the official plan and the rigidity of the zoning by-law together with the extremely limited geographic areas where converted use is permitted in the by-laws. Within the geographic areas permitting converted use the prevailing built form is that of apartment buildings and thus little if any stock is available. The zoning for these geographic areas permits apartment buildings and a landowner is not likely to be tempted to convert a house from dwelling to converted dwelling use when a higher and denser use is available through the by-law.

NORTH YORK

OFFICIAL PLAN

A review of the Official Plan and the maps included for each of the planning districts within North York together with discussions with City staff indicates that any

departure from the specific permitted uses (contained primarily in the maps of the North York Official Plan) requires an amendment thereto. The City of North York has for some time now been preparing a new Official Plan, and planning staff anticipates that the new plan will be in place by 1985.

NORTH YORK BY-LAW

Few, if any, practical opportunities exist for conversion of dwellings in North York due to the requirements of the by-law, plus the limited geographic areas where converted use is permitted which contain almost no eligible stock. Converted dwellings are permitted only in the RM (Residential Multiple) 3 and RM4 districts which characteristically contain apartment buildings and few, if any, dwellings in house form. As the by-law permits apartment building use, a proposal to convert an existing dwelling will, in all likelihood, be economically unattractive.

The North York By-Law contains a definition for converted dwelling:

"Dwelling converted" shall mean a dwelling more than thirty (30) years old altered to contain a greater number of dwelling units."

No variations will be permitted from the general provisions of the by-law. All the by-law provisions with reference to lot size, set backs and height limits must be complied with (see section 6.15 and 6.16).

They by-law is silent with regards to below grade dwellings, therefore they will be permitted so long as they comply with the requirements of the OBC.

The parking requirements are the usual requirements for the zone in which the converted dwelling is located. For the only two zones where converted dwellings are permitted, the RM3 and RM4 zones, the requirements are that the parking be located within the building on the same lot or in a parking station in the same zone as the dwelling is situated in the amount of one accessible parking space for each unit.

OTTAWA

SUMMARY FOR MODEL 2

While converted dwellings are permitted throughout a range of the residential districts in Ottawa, they tend to be concentrated towards the older parts of the city rather than in the more recently developed suburbs and the opportunities for conversion within those older areas are limited by significant constraints contained in the by-law. These include age requirements, which are generally that the structure proposed for conversion be at least 20 years old; a strict prohibition against alteration to the exterior of the building except for required fire escapes, etc., and large minimum floor area requirements for the resulting converted dwelling units. The yard, density, floor space index and other general provisions of the by-law continue to apply to proposals to convert. This results in many dwellings otherwise suitable for conversion falling outside the requirements of the by-law. In addition, the parking requirements will result in many proposals falling outside of the by-law. Together these will mean that many proposals will be required to take the Committee of Adjustment route if the variance to the by-law is minor, if not the proposal will require a rezoning.

OTTAWA

OFFICIAL PLAN

The Official Plan for the City of Ottawa contains in its plan of land use: Residential Area, a general statement which applies city-wide and which could be used as part of a policy to support conversion. This is said with some hesitation as the provision is so general as to be capable of being used to support any type of housing form.

"The residential area category is intended to include: all dwelling uses..."

The Plan of Heritage for districts which are designated as Heritage Districts contains policy statements that could be adopted to a conversion attempt. It is one of the goals "to preserve, improve and utilize heritage sites, structures, buildings... for the benefit of the community and posterity...". Among the objections are the following: to protect and preserve, to restore, to rehabilitate, to prevent demolition, destruction or inappropriate alteration, to develop and foster creative, appropriate and economic uses, and to consider social and community needs in the preservation, improvement and use of heritage. All of these objectives can be used as part of a conversion policy. The Implementation section of the Plan of Heritage, section 2. By-Laws (a) states that heritage zoning regulations "will stabilize development, which in turn, will encourage other investment, rehabilitation and conversion of certain uses to uses which are more compatible with the objectives of this plan".

The Plan of Sandy Hill (pending: Amendment Number 84) Policies contains the following:

"A. 1. To preserve and enhance Sandy Hill as an attractive residential neighbourhood, especially for family living.

2. To provide for a broad range of socio-economic groups.
3. To accept a modest increase in population, primarily as a way of housing some of the growth in the central area of the labour force..."
4. Land Use
 1. Residential Land Use
 - (a) To preserve and enhance the existing stock of good housing".

Similarly, the Plan of Centre Town (pending: Amendment Number 94) in section 3. Housing Policies: Conservation, Rehabilitation and Redevelopment contains a policy directive aimed at preservation of the existing housing stock:

"The City of Ottawa shall adopt regulations to prevent the unnecessary demolition of good housing and shall encourage the retention and improvement of existing structures."

The foregoing provisions in the Ottawa Official Plan can be used for conversion purposes in Heritage areas, Sandy Hill and Centre Town which will all be older areas located close to the centre of the City.

OTTAWA BY-LAW

The definition section of the Ottawa by-law contains a definition of converted dwelling which in itself includes a number of constraints:

"Converted Dwelling" which means an existing dwelling on an existing lot in which the number of dwelling units has been increased without alteration to the exterior of the building except for the required fire escapes, extra windows and entrances and provided that the building, when converted, complies with the provisions of the "Building By-Law" and the parking provisions of this by-law, By-Law 311-65."

Throughout the majority of districts where converted dwelling use is permitted (R4, R5, R6, R11, R12), there is an age requirement that the building be twenty years old or more. There is a minimum floor area requirement for each dwelling unit created of 37 square metres (400 square feet) exclusive of halls and stairwells. The original dwelling must contain a habitable floor area of at least 130 square metres (1,400 square feet) and two dwelling units may be created on a lot with a width of less than twelve metres (39 feet), while no more than four may be created on a lot with a width of more than twelve metres (39 feet).

Converted dwelling use is permitted in the Heritage Area designated as HC (Heritage Commercial) 1 and the provisions are the same as those referred to above for the R districts with the following changes: the minimum floor area of each dwelling unit created is to be increased to 66 square metres and the maximum number of units is limited only by the minimum floor area requirements.

Converted dwelling units are permitted in HR (Heritage Residential) 1 and HR2 areas where the minimum age of the structure to be converted is to be at least twenty years; fifty percent of the units are to have three or more bedrooms and the minimum floor area per unit is to be 37 square metres (400 square feet).

The general provisions of the by-law apply to proposals to convert. Which means that all side yard, density, floor space index, corner sight lines and other provisions must be complied with. This results in many dwellings otherwise suitable as candidates for conversion falling outside the requirements of the by-law since many older residential dwellings were built prior to the existence of the zoning by-law and do not comply with the set-back and density provisions. The Ottawa By-Law is silent as to whether or not dwellings are permitted below grade.

The parking spaces to be provided for converted dwelling units are laid out in sections 13(1a). While they are less onerous than those required for single-family dwellings, duplex dwellings and row housing the requirements, depending on the area in which the converted dwelling is located range between 0.5 spaces per dwelling unit to one space per dwelling unit.

Ottawa has a local building by-law which must be complied with, as well as the requirements of the Ontario Municipal Board. Together these will further constrain applications for conversion.

MODEL 3

Model 3 involves a proposal to build an addition vertically or horizontally to allow a grade-related dwelling to be changed from single household use to multiple household use as self-contained accommodation.

The discussion of the Official Plan for the study municipalities as it relates to model 2 is applicable to this model. A discussion follows, of the zoning by-law requirements as it affects a proposal for a conversion in the form of model 3.

KINGSTON

A proposal in the form of model 3 will be prohibited by the requirements of section 5.23 (referred to above in the discussion of model 2 and also to be reviewed in more detail in the matrix for model 2) that there be "no change, addition or enlargement" made to the external walls or roof and by the even more restrictive requirements of section 5.23A that the maximum addition to floor space is 19

square metres including that any roof alterations are to be only for the purposes of light and air and are to involve no more than 10% of the roof area.

HAMILTON

The code for converted dwelling use contained in section 19 of the Hamilton By-Law contains the restriction on increasing the cubic contents of a converted dwelling in single-family districts and therefore, in those districts the model 3 proposal is prohibited.

A further condition is attached which applies to all districts that the "external appearance and character of the dwelling is preserved". It is arguable, therefore, that in areas other than single-family areas a thoughtfully designed addition utilizing similar materials would be permitted.

TORONTO

In R1, R1A and R1F districts such a conversion would be prohibited due to the prohibition against exterior additions and major external changes as well as by the requirement that the structure retain its appearance as a single-family dwelling.

Throughout the other areas (R2, R3, R4, R4A) where converted dwellings and lodging houses are permitted, the by-law as enacted, addresses only lodging housing while converted dwellings are the subject of the proposed new legislation in the 321-78, 501-81 series of by-laws referred to above. When enacted, these by-laws, as drafted will also require that the house continue to appear as a single-family dwelling and any addition will be limited to a maximum of 0.15 times the coverage of the lot which additional coverage is to be achieved within the density requirement for the district. In practice this will render impractical many proposed conversions utilizing additions, but on lots of sufficiently large size will make an addition an attractive part of a conversion.

WOODSTOCK

The Woodstock By-Law contains guidelines for permitted conversion in section 10.2.3. for the R2 areas and 12.2 for the R3 areas. So long as a proposed conversion utilizing an addition sits within set back and other requirements of these sections there is no impediment.

NORTH YORK

Aside from the definition (see above in the discussion of North York for model 2), the by-law contains no other requirements for conversion. In the two areas where converted dwelling use is permitted (RM3 and RM4), an addition would be acceptable so long as all set back and other standard requirements are met. It should be noted, however, that the key informant interviews indicate that very little housing stock is available in those areas which is suitable for converted dwelling use.

OTTAWA

Conversion in the form proposed for model 3 is prohibited. Conversion is only permitted "without alteration to the exterior of the building" by the definition contained in section 34(v).

MODEL 4 AND MODEL 5

Model 4 and model 5 are proposals for infill type development. Model 4 anticipates building a second or third separate rental unit on a lot which presently has one grade related dwelling unit in place (e.g. back lot or side lot development). Model 5 anticipates building several separate rental dwelling units on a lot which already has a multiple family development in place (e.g. building on landscaped open space around a highrise building). From the point of view of the Official Plans and the zoning by-laws the same discussion relates to both models. While the terms of reference of the present study do not suggest that the resulting converted units could be sold to separate owners, the possibility

suggests itself and is briefly considered at the end of the discussion of rental infill.

KINGSTON

A side lot rental unit, or units, is prohibited by the requirement that one building occupy one lot. The same requirement also prohibits a rear yard rental unit and the prohibition is reinforced by the prohibition against a dwelling at the rear of another building (Refer to the matrix for models 4 and 5 attached as an appendix for reference to the specific sections of the by-law).

HAMILTON

A proposal for a development in the form of either model 4 or model 5 is prohibited in Hamilton by section 4(3)(b) which requires that the dwelling be on a lot on a street together with the requirement that there be only one dwelling house per lot in section 4(3)(a). No specific house behind a house prohibition exists in the Hamilton By-Law but the municipal authorities use the two subsections in conjunction to prohibit it. Hamilton also has a complex "light obstruction" prohibition which prevents construction nearby an existing building if it infringes the prohibitions (Refer to Section 2(2)J.(1b) in the matrix, for the definition for the "average angle of light obstruction" in order to appreciate the complexity of the calculation that is required to be made.).

TORONTO

Models 4 and 5 would be prohibited in Toronto by the requirement that a residential building be built on a lot fronting on a "public highway" contained in section 4(20)(a) and by the prohibition that a residential building is not to be located in the rear of another residential building in section 4(20)(b), together with the requirement in 4(2b) which amounts to a provision that one

can only building one building on a lot. Due, however, to the definition of "lot" (see the matrix for models 4 and 5), if the rental structure, apparently separated above ground, were connected to the original house by a common basement, the two would be deemed one building, and if the set backs required by section 4, were complied with, no prohibition would exist in terms of the construction of the addition. The renting of the addition subsequent to construction would be prohibited, however, by the existing prohibitions against external change to an existing dwelling for those areas where converted dwelling use is presently permitted since such an addition would certainly qualify as "external" change to the existing dwelling. In addition, a prohibition exists against building more than 55 feet into the depth of the lot. Together these prohibitions will defeat a proposal for infill in the form of model 4 or model 5.

WOODSTOCK

Development as proposed in model 4 and model 5 would be prohibited due to the wording of the requirements for each residential area as more than one residential building cannot be constructed on a "lot" (See the matrix for section 2.69: definition of "lot"), and in addition, the street frontage requirements contained in section 6.13 (see matrix prohibit a structure located in a rear yard).

NORTH YORK

Model 4 and model 5 proposals are prohibited in North York due to the provision that only one building is permitted per lot (See Section 7.2.1). "Lot" is defined in section 2.52 to meet a parcel of land which fronts or abuts on a street. In addition rear yard construction is discouraged by the requirement that, street frontage is required for any building or structure in any zone.

OTTAWA

The model 4 and model 5 proposals are prohibited in the Ottawa district by the prohibition in the by-law against building more than one building per lot (See section 6. and section 23., both included on the matrix).

From the foregoing discussion it can be seen that throughout all of the case study municipalities infill as proposed in model 4 and model 5 is not possible under the existing municipal regulations, notwithstanding that it is not prohibited as per se by the OBC.

MODEL 4 and 5 - SALE UNITS

If the proposed infill unit (or units) is intended to be sold a severance of the lot on which the new unit is to be built will be required before a building permit can be obtained. The severance required by Section 29 of the Planning Act will require the approval of the Committee of Adjustment. In addition to the Section 29 approval, the approval of the Committee of Adjustment will be necessary if the lot deviates from the minimum requirement of the by-law or if the proposed unit does not comply with the set-back and yard provisions.

The by-law of each municipality included in the study contains prohibitions against the construction of a building to the rear of another building which will act to prevent infill in lots located to the rear of an existing structure.

Each of the municipalities require that a house front on to a street and have a street address. Ottawa, alone of the study municipalities considers a city lane to be a "street" for this purpose. The street requirement creates a problem which can be overcome, for proposed infill units to be located in rear yards, by the device of severing a slender strip of land from the "parent" lot to provide contact with the street for the rear-yard lot. This device will in all probability, require a re-zoning as most Committees of Adjustment will not consider this to be a minor

variance from the by-law. Even if the street frontage problem can be resolved, that of the prohibition of a house-behind-a-house remains as a separate issue to be dealt with in the re-zoning.

On-site parking requirements will provide a further impediment to the success of proposals for infill in rear yards and side yards where such parking either cannot be provided at all, or provided only at the cost of violating other yard provisions.

The approval process necessary for the creation of a sale unit (or units) in the form of Models 5 and 6 will be lengthy and expensive, a consideration that will act to deter many property owners.

MODEL 1: A number of individuals sharing a house with no structural changes made to the design and layout of the premises.

Municipalities have traditionally used the definition of "family" as a tool for controlling density and type of use of residential dwelling units. The origin of this usage is lost in the past, but there is no question that the definition of "family" occurs in this role from the early days of the zoning by-laws throughout North America. It has been, until very recently, this definition which determines which combination of people may share a dwelling unit and there is central to the discussion of Model 1.

Recent developments in common law due to decisions of Canadian courts, notably the Supreme Court of Canada in the decision in R. v. Bell, [1979] 2 S.C.R. 212, 26 N.R. 457, 98 D.L.R. (3d) 255, have shaken municipal solicitors and planning staffs with regard to the use of this tool for controlling density and type of use. A more recent Ontario decision considering Bell has offered some comfort. That case is Smith v. Township of Tiny, 27 O.R. (2d) 690.

In those municipalities that use such terms as "a

one-family dwelling unit" or a "multiple-family dwelling unit", the definition of "family" is crucially important to those who wish to promote the sharing of dwelling units by unrelated, unmarried people. The definition of "family" is also crucially important to municipal authorities who, subsequent to the Bell decision may be faced with an unenforceable provision in the zoning by-law, which, if not severable, can render the entire residential section of the by-law invalid.

The relevant provisions of each zoning by-law follow immediately with a capsule analysis of the application to Model 1. A discussion of the Bell decision follows.

KINGSTON

The Kingston by-law will permit Model 1 type sharing so long as no more than five people share the unit.

4.36 FAMILY means

- (a) One person occupying a dwelling unit, or
- (b) Two or more persons occupying a dwelling unit who are related by marriage, common law marriage, consanguinity or adoption, and may include:
 - i. one or more full time domestic servants,
 - ii. foster children placed with the family by the Children's Aid Society under The Child Welfare Act,
 - iii. not more than three related or unrelated persons whose status is that of paying lodgers or boarders who live with one person occupying a dwelling unit, or with two or more persons occupying a dwelling unit who are related by marriage, common law marriage, consanguinity or adoption
- (c) A group of not more than five unrelated persons occupying a dwelling unit.

HAMILTON

The Hamilton by-law puts no impediment in the way of Model 1 type sharing so long as the group of people live as a "single housekeeping unit" which is not defined and could give rise to problems of interpretation. Density of occupation will

only be controlled by Ontario Building Code minimum standards and local health standards.

"Dwelling" as defined in the by-law includes the word "family" which is also defined:

"Dwelling" shall mean a single-family dwelling, a two-family dwelling or a three-family dwelling;

(vii) "Family" shall mean a person or a group of two or more persons occupying premises and living as a single housekeeping unit, whether or not related to each other by blood or marriage, and shall include bona fide domestic servants employed as such on the premises, but not any boarder or lodger; as distinguished from a person or group of persons occupying a room or suite in a hotel, hostel or ordinary lodging house;

TORONTO

In those areas of Toronto where the by-law refers to "one-family" or "multiple-family" dwelling units, occupation as anticipated by Model 1 will be feasible so long as no more than five unrelated people share.

In those areas where "private detached dwelling house" is used to indicate the type of use, Model 1 type sharing will not be permitted due to the definition of "private detached dwelling house" which refers only to relationships of "consanguinity, marriage or legal adoption without one or more full-time domestic servants". It is possible, after Bell and Smith v. Tiny that this section may be invalid.

"family" means one person, or two or more persons who are interrelated by bonds of consanguinity, marriage or legal adoption, or a group of not more than five unrelated persons occupying, with or without one or more full-time domestic servants, a dwelling unit;

(a) "dwelling unit" means a room or suite of two or more rooms designed or intended for use by one or more persons as living accommodation in which culinary and sanitary conveniences are provided for the exclusive use of such person or persons; (886-79)

"private detached dwelling house" means the whole of a dwelling house occupied or capable of being occupied by one person or two or more persons related by bonds of consanguinity, marriage or legal adoption, with or without one or more full-time domestic servants; (R1)

(1) No person shall, within any R1 district, use any lot or erect or use any building or structure for any purpose except a G purpose or one or more of the following R1 uses, namely:

(a) a private detached dwelling house, including the keeping therein of:

(1) not more than two (2) roomers or boarders;

(2) not more than three (3) foster children each of whom is a brother-german or a sister-german of all the others; (20816)

WOODSTOCK

Model 1 type sharing will be acceptable in Woodstock so long as no more than 4 unrelated people share the dwelling unit.

2.36.1 "DWELLING UNIT", means a suite of two or more rooms, designed or intended for use by one family only, in which sanitary conveniences and cooking facilities are provided and which has a private entrance either from the outside of the building or through a common hallway.

2.45 "FAMILY", means one person or two or more persons who are interrelated by bonds of marriage, legal adoption or consanguinity, or a group of not more than 4 unrelated persons occupying a dwelling unit.

NORTH YORK

North York's definition of "family" was in issue in Bell and the Supreme Court of Canada held that it was unreasonable and ultra vires and therefore an invalid exercise of the power created by section 35(1) of the Planning Act. The definition remains in the office consolidation of the zoning by-law (North York By-Law #7625) but is unenforceable. Thus at present North York has

no restriction on the number of people sharing a dwelling unit.

OTTAWA

The Ottawa by-law contains no impediment to Model 1 type sharing so long as the sharing group does not exceed five people and the group "maintains a common household."

The definition of "family" distinguishes a family from "a group of persons occupying a boarding house, rooming house, lodging house"... From the definitions it would appear that the essential elements of a boarding, lodging or rooming house are "a proprietor", the provision of lodging and/or meals for compensation and a group of lodgers or boarders exceeding three in number. Should the group sharing the house fit within this description, the use would be restricted to those areas where rooming, boarding or lodging house use is permitted.

"boarding house" means a building or portion thereof, other than a hotel where lodging and meals for three (3) or more persons, exclusive of the proprietor and his family, are provided for compensation.

"rooming house" or "lodging house" means a building or portion thereof, other than a hotel, where lodging for three (3) or more persons, exclusive of the proprietor and his family, is provided for compensation.

"dwelling unit" means one or more rooms connected together as a separate unit in the same structure and constituting an independent housekeeping unit for residential occupancy by a family with facilities for persons to sleep, cook and eat and including its own sanitary facilities.

*12. "family" means one or more persons whether or not related by blood, marriage of adoption, and including domestic servants and gratuitous guests, who live together in one dwelling unit and maintain

a common household as distinguished from a group of persons occupying a boarding house, rooming house, lodging house, club, hotel, fraternity, sorority or institutional building, provided that a family which is not related by blood, marriage or adoption shall not exceed five (5) persons.*

THE BELL DECISION AND SUBSEQUENT DEVELOPMENTS

In the Bell case the appellant and two other people shared a detached duplex in the Borough of North York. Mr. Bell was the sole tenant so far as the landlord was concerned, but he and his friends shared the costs as co-occupants. Mr. Bell was charged with violating North York By-Law #7625 prohibiting the use of the building for other than occupancy by one family as defined in the by-law. Initially the appellant was found guilty by a Justice of the Peace. This conviction was reversed at the County Court and the reversal upheld at Divisional Court. The Court of Appeal found for the Borough, but the Supreme Court allowed the appeal by Bell.

It was not in dispute that Mr. Bell and his co-occupants were outside the uses permitted in the by-law, and that if the by-law were upheld he would be in contravention of it.

The appellant* argued that the prohibition contained in the by-law was an unreasonable, and therefore, invalid, exercise of the power under S35(1) of the Planning Act. S242 of the Municipal Act containing the general power to enact by-laws, and S241(2) of the Municipal Act which provides that by-laws enacted by virtue of powers under the Municipal Act are not to be held invalid on the grounds of unreasonableness were not considered as relevant by Estey C.J.H.C. at Divisional Court when he decided for Bell or by MacKinnon J.A. at the Court of Appeal when he decided against Bell. It was said by both that the by-law in question was enacted solely under the powers of S35(1) of the Planning Act. Spence J. dealt no further with this issue and appears to have accepted this interpretation.

Spence balanced the view in Re Howard v. City of Toronto (1927), 61 OLR 563, where it was said:

What is or is not in the public interest is a matter to be determined by the judgment of the municipal council; and what it determines, if in reaching its conclusion it acted honestly and within the limit of its power, is not open to review by the Court...

The question of the relative balance of convenience or detriment to different persons is a matter which the Legislature has committed to the consideration and determination of the municipal council, and their judgment on that question, if bona fide exercised in what they believe to be the public interest, will not be interfered with by the Court: In re Inglis and City of Toronto, 9 OLR 562, per Anglin, J. at p. 568: Re Mills and City of Hamilton (1907), 9 O.W.R. 731.

against the doctrine of unreasonableness as set out in Kruse v. Johnson (1898) 2 QB 91. Although Spence mentions the Municipal Act in the quote below, presumably he mentions it in the context of legislation to which it pertains, and he is still accepting the arguments of Estey C.J.H.C., and MacKinnon J.A. with regards to the applicability of the Municipal Act to the by-law under consideration.

"I also realize that the doctrine of unreasonableness permitted the declaration of invalidity as to municipal by-laws has, by virtue of the provisions set out in the Municipal Act, lately been very much limited but I point out that even as limited the doctrine still exists and in Kruse v. Johnson, supra Lord Russell, in holding for a strong Divisional Court, that the particular by-law was not ultra vires, said at pp. 99-100:

I do not mean to say that there may not be cases in which it would be the duty of the Court to condemn by-laws, made under such authority as these were made, as invalid because unreasonable.

But unreasonable in what sense? If, for instance, they were found to be partial and unequal in their operation as between different classes; if they were manifestly unjust; if they disclosed bad faith; if they involved such oppressive or gratuitous interference with the rights of those subject to them as could find no justification in the minds of reasonable men, the Court might well say, "Parliament never intended to give authority to make such rules; they are unreasonable and ultra vires." But it is in this sense, and in this sense only, as I conceive, that the question of unreasonableness can properly be regarded.

In view of the many possible inequitable applications of the definition of "family" which I have mentioned above, I am of the opinion that the by-law in its device of adopting "family" as being the only permitted occupants of a self-contained dwelling unit comes exactly within Lord Russell's words as to be found to be "such oppressive or gratuitous interference with the rights of those subject to them as could find no justification in the minds of reasonable men" and, therefore, as Lord Russell said, the Legislature never intended to give authority to make such rules and the device of zoning by reference to the relationship of occupants rather than the use of the building is on which is ultra vires of the municipality under the provisions of the "Planning Act".

The stress is on the definition of "family in the by-law in the paragraph quoted immediately above. This stress is emphasized by a passage earlier in the judgment where Spence said:

I am in exact agreement with His Honour Judge Hogg when he said that the by-law in question restricted the occupation to "family" and then defined "family" by reference to consanguinity, marriage and adoption only, and so was not regulating the use of the building but who used it."

It is one interpretation of the foregoing passages that the emphasis on "family" as defined in the by-law is not separable from the remainder of each sentence, and that each "and" acts conjunctively to tie the sentences together.

It is a counter-interpretation that the sentences can be dismantled and the various parts instead of being read in conjunction are to read disjunctively and to stand on their own.

If the first interpretation were adopted and the judgment were to be taken at its narrowest it would be seen as a decision relating to a by-law under the powers in the Planning Act defining "family" by reference consanguinity, marriage and adoption only as being the only permitted occupants of a self-contained dwelling unit. It does not necessarily follow that another method of defining the users of land would be found "unreasonable" within Kruse & Johnson instead of being within the public interest per Howard and therefore acceptable. This would be consistent with the narrow interpretations the Supreme Court often gives its own decisions. It would also satisfy the implicit civil libertarian aspects of the case, while leaving intact the municipalities' abilities to control the type of land use with regard to services and densities.

The second view, that the various qualifying parts of the sentences quoted above can be severed from the whole, despite the conjunctions, could lend to the interpretation that "Zoning by reference to...occupants rather than the use of the building is one which is ultra vires of the municipality." This, however, involves omitting "the relationship" of the occupants." The reference in this phrase to "relationship" throws one back to considering that the decision is regarding "family" as defined by reference to relationship, namely, consanguinity, marriage and adoption only. In the U.S. case of Village of Belle Terre and Borass (1974) 4 U.S. 1 (USSC) Mr. Justice Douglas was faced with a similar provision in a by-law, with the notable exception that provision was made in the definition of "family" for

"A number of persons but not exceeding
two (2) living and cooking together as

as a single housekeeping unit though not related by blood, adoption, or marriage, shall be deemed to constitute a family".

It appears from the judgment that this inclusion prevented the by-law from being successfully attacked on civil libertarian grounds:

"It is said that the Belle Terre ordinance reeks with an animosity to unmarried couples who live together. There is no evidence to support it; and the provisions of the ordinance bringing within the definition of a "family" two unmarried people belies the charge.

The ordinance places no ban on other forms of association, for a "family" may, so far as the ordinance is concerned, entertain whomever it likes."

This seems to take into account the "relationship" concern, and the resulting "unreasonableness" in Bell. A similar by-law might well have stood the test in Canada and since Bell an Ontario High Court decision bears out this theory.

The recent decision of the Ontario High Court in Smith v. Township of Tiny upheld the section of the by-law defining "family", while following Bell. The definition of "family" in that case follows:

"FAMILY" means one or more human beings related by blood or marriage, or common law marriage or a group of not more than three human beings who need not be related by blood or marriage, living together as a single housekeeping unit. "Family" also includes domestic servants or not more than two roomers or boarders. "Common law marriage" means a man and a woman living together as a family without the sanctity of marriage.

Robins, J. held that the section of the by-law was valid and said at page 695:

"The prohibition contained in the by-law now

before me differs significantly from that contained in the North York and Toronto by-laws. "Family" here is not confined to persons related by blood or marriage - common law relationships and unrelated groups are also included in the definition. With the broad definition of this by-law none of the "dire results" or "many possible inequitable applications of the definition" referred to by Spence, J., would arise, and indeed, such consequences have not even been suggested. Land use restricted to a particular type or group of persons may be unreasonable or discriminatory and hence ultra vires. However, in my view, a restriction based upon a definition of "family" which incorporates most types of arrangements usual for people living together as a simple housekeeping unit in premises commonly described as single-family" dwellings cannot be said to be either unreasonable or discriminatory or to constitute zoning based on the relationship of the occupants. In invoking the definition of "family" used in the by-law, it appears to me the township employed a valid zoning device to regulate the "use" and "character" of residential premises. This argument of the plaintiff must accordingly fail."

In summary, those by-laws referring to maximum numbers of occupants will likely be valid exercises of zoning powers. It also follows that sharing per Model 1 will be a permitted use throughout Ontario municipalities, subject only to limits in numbers of occupants. Zoning by reference to relationships will not be valid zoning.

